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# Final Report

## Merger Feasibility Study for the School Districts of Seneca County

*Romulus, Seneca Falls, South Seneca, Waterloo*

October 24, 2011

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# Chapter 1

## Introduction

In today's fiscal and educational environment, school districts all over New York State are wondering if they can continue to exist in their present form. Many are exploring various options to fundamentally change the way they are organized in an effort to continue providing their students a 21<sup>st</sup> century education at a cost that local taxpayers can bear. School district merger is one organizational option that is being considered. The four school districts located in Seneca County—Romulus, Seneca Falls, South Seneca, and Waterloo—have chosen this path. However, unlike many other school districts, these Seneca County schools first chose to explore the possible configurations of the four districts to determine which, if any, hold the most potential promise for merger prior to engaging in an extensive merger study.

This merger feasibility study examined the advantages and disadvantages of various Seneca County School district combinations. Castallo & Silky, an education consulting firm from Syracuse, New York, worked with the districts to complete the study. Based on its vast experience with school district reorganization, Castallo & Silky identified a list of “indicators” that characteristically predict the likelihood of a successful merger. This list of indicators was used to structure data gathering and analysis and serves as the foundation for the recommendations included in this study.

The study was conducted in consultation with the New York State Education Department. The consultants began by requesting a significant amount of information from all school districts. Once this information had been secured, meetings with key school district staff were held to review the information and to probe other critical areas of district operations. The consultants organized and analyzed the information resulting in this written report.

It should be clear to the reader that this is a merger feasibility study and not a merger study. This study examines which combination(s) of districts might be advisable to consider entering into a formal merger study. This is not a study of any combination of districts considering merger. A merger study would involve community committees from the respective districts and would examine each of the topics discussed in this study in far greater detail. Also, the State Education Department and the District Superintendent would oversee a complete merger study. Subsequent to the completion of the merger study, the districts would decide whether or not to put the question of merger up for a community referendum. This study will be used by the participating districts to decide whether a formal merger study in the future would be in the best interest of their particular district.

## **Chapter 2**

### **Acknowledgements**

A study of this magnitude could not be accomplished without the assistance of many individuals. We wish to thank the following people who generously provided assistance to us as we went about our work.

First and foremost, we wish to thank the superintendents of the four study districts: Mike Hoose, Romulus; Bob McKeveney, Seneca Falls; Janie Nusser, South Seneca; and Terry MacNabb, Waterloo. These superintendents not only provided us access to district records and staff so that we might have a complete data set to make our recommendations, but even more importantly, they provided courageous leadership by even initiating this investigation. Merely mentioning the “M” (merger) word evokes a great deal of emotion in local communities. Despite this, these four school leaders recognized that, for their districts to continue delivering a quality education, bold action needed to be taken—and they have done so.

We would also like to thank the business officials from the four districts: Bob Boulware, Romulus and Seneca Falls; Naomi Zuckerman, South Seneca; and Patricia Johnson (now retired) and Joanne Slauson, Waterloo. These individuals provided us with an abundance of financial information and assisted us in analyzing the information in a way that best informed this study.

We would also like to recognize the boards of education from Romulus, Seneca Falls, South Seneca, and Waterloo for their leadership and foresight to provide the best possible education for their children within the financial realities of their communities. These boards are asking difficult but important questions about the future of their school districts and communities and should be applauded for their efforts.

Finally, we recognize the leadership of the staff at the Wayne-Finger Lakes BOCES for their efforts in organizing this study. District Superintendent Joseph Marinelli and Associate Superintendent Bonnie Lindsay gently but consistently moved this study forward as a way to help these four school districts plan for their future in a very thoughtful manner.

## **Chapter 3**

### **Background Information**

Romulus, Seneca Falls, South Seneca, and Waterloo are all located in Seneca County and are the only four districts in the county. Located approximately half way between Syracuse and Rochester, these districts are located in the Finger Lakes region of New York State. Being primarily rural in nature, the districts are bordered by Cayuga Lake on the east and Seneca Lake on the west. All four school districts

play a very important role in their communities. Other than the true tax rates for the districts, the districts are remarkably similar. Table 3.1 provides background information on the districts.

<b>Table 3.1: Background on the Districts</b>				
	<i>Romulus</i>	<i>Seneca Falls</i>	<i>South Seneca</i>	<i>Waterloo</i>
Superintendent	Mike Hoose	Bob McKeveny	Janie Nusser	Terry MacNabb
2010-11 Enrollment	432	1,298	831	1,796
Square Miles in District	87	56	151	83
BOCES Affiliation	Wayne Finger Lakes	Wayne Finger Lakes	Tompkins Seneca Tioga	Wayne Finger Lakes
Transportation Aid Ratio	.756	.900	.900	.900
BOCES Aid Ratio	.646	.803	.713	.834
Combined Wealth Ratio	.687	.478	.524	.380
True Tax Rate	\$19.02	\$23.92	\$15.71	\$20.39
Grade Level Configurations	P-12	K-2, 3-5, 6-8,9-12	P-5, 6-8, 9-12	P-2, P-5, 3-5,6-8, 9-12
Eligible for Free Lunch	25%	22%	34%	32%
Eligible for Reduced Price Lunch	12%	11%	12%	12%
White	94%	92%	96%	93%
Black or African American	2%	3%	2%	3%
Hispanic or Latino	3%	2%	2%	3%

The four superintendents meet on a regular basis to share common concerns and initiatives. As described later in this report, there are a number of ways that the districts currently collaborate to help one another. And, in fact, five years ago the Seneca Falls and Waterloo school districts went so far as to engage in a merger study. At that time merger was not deemed to be in the best interest of both districts as determined by their communities. Consequently, merger was removed from consideration. Today, however, times are different and discussion of examining a possible merger of two or more of the county districts is again being entertained. This interest in possibly merging school districts has led to this investigation.

## **Chapter 4**

### **Possible District Combinations**

School districts that wish to entertain a possible merger in New York State can only pursue other districts that are contiguous or touch their borders. South Seneca is not contiguous with Seneca Falls or Waterloo. Therefore, mergers of South Seneca with Seneca Falls or South Seneca with Waterloo are not legally permitted in New York State.

Looking at the geographic boundaries of the four districts in this study, it was determined that there are eight combinations that could possibly result:

All four districts merging into one:

*A. Romulus/Seneca Falls/South Seneca/Waterloo*

Three, three district combinations:

*B. Romulus/South Seneca/Seneca Falls*

*C. Romulus/South Seneca/Waterloo*

*D. Romulus/Seneca Falls/Waterloo*

Four, two district combinations:

*E. Romulus/South Seneca*

*F. Romulus/Seneca Falls*

*G. Romulus/Waterloo*

*H. Seneca Falls/Waterloo*

The body of this report is organized around the indicators that mark a successful merger of school districts. Within the discussion of these indicators, all eight possible combinations of the school districts will be addressed.

Once all the indicators have been evaluated, an assessment is made regarding the overall likelihood that the particular combination of districts is worthy of a full merger study.

## Chapter 5 Student Enrollments

An analysis of enrollments is important for any school district planning. Most upstate New York school districts are currently experiencing prolonged enrollment decline. Enrollment decline initiates attendant problems—reducing sections of grades and perhaps laying off staff, reconfiguring grades or attendance boundaries, and in the most extreme circumstances, even closing school buildings. For these reasons, it is critical that the future enrollments of any combination of merged districts in Seneca County be studied to determine if there will be a decline and, if so, predict the related problems this might precipitate. Tables 5.1-5.8 illustrate the future enrollment projections for each of the possible combinations of districts.

District	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Romulus	429	419	424	427	426	424	419
Seneca Falls	1273	1273	1266	1248	1254	1268	1280
South Seneca	749	729	719	706	701	687	677
Waterloo	1688	1645	1633	1641	1622	1627	1610
Total	4139	4066	4042	4022	4003	4006	3986

Examining Table 5.1, it is apparent that three of the four districts (Romulus, South Seneca, and Waterloo) are projected to see enrollment declines while Seneca Falls will decrease slightly, then increase slightly, but remain relatively constant over the seven year period. As a single district, enrollment will drop 153 students or 3.6% over the next seven years. While not a significantly large decline, it is of enough

concern to point out that it would be likely the merged district would have to grapple with some of the resultant problems mentioned previously.

<b>Table 5.2</b>							
<b>Enrollment Projections-Romulus-Seneca Falls-South Seneca</b>							
District	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Romulus	429	419	424	427	426	424	419
Seneca Falls	1273	1273	1266	1248	1254	1268	1280
South Seneca	749	729	719	706	701	687	677
Total	2451	2421	2409	2381	2381	2379	2376

<b>Table 5.3</b>							
<b>Enrollment Projections-Romulus-Seneca Falls-Waterloo</b>							
District	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Romulus	429	419	424	427	426	424	419
Seneca Falls	1273	1273	1266	1248	1254	1268	1280
Waterloo	1688	1645	1633	1641	1622	1627	1610
Total	3390	3337	3323	3316	3302	3319	3309

<b>Table 5.4</b>							
<b>Enrollment Projections: South Seneca-Romulus-Waterloo</b>							
District	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Romulus	429	419	424	427	426	424	419
South Seneca	749	729	719	706	701	687	677
Waterloo	1688	1645	1633	1641	1622	1627	1610
Total	2866	2793	2776	2774	2749	2738	2706

<b>Table 5.5</b>							
<b>Enrollment Projections: Romulus and Waterloo</b>							
District	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Romulus	429	419	424	427	426	424	419
Waterloo	1688	1645	1633	1641	1622	1627	1610
Total	2117	2064	2057	2068	2048	2051	2029

<b>Table 5.6</b>							
<b>Enrollment Projections: Romulus and South Seneca</b>							
District	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Romulus	429	419	424	427	426	424	419
South Seneca	749	729	719	706	701	687	677
Total	1178	1148	1143	1133	1127	1111	1096

<b>Table 5.7</b>							
<b>Enrollment Projections: Seneca Falls and Waterloo</b>							



District	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Seneca Falls	1273	1273	1266	1248	1254	1268	1280
Waterloo	1688	1645	1633	1641	1622	1627	1610
Total	2961	2918	2899	2889	2876	2895	2890

<b>Table 5.8</b>							
<b>Enrollment Projections: Romulus and Seneca Falls</b>							
District	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
Romulus	429	419	424	427	426	424	419
Seneca Falls	1273	1273	1266	1248	1254	1268	1280
Total	1702	1692	1690	1675	1680	1692	1699

## **Chapter 6**

### **Finances**

Community support for its school district and the financial plan it presents annually is evidenced in the annual budget referendum. Communities that regularly support the board's spending plan show confidence in the board's ability to balance the needs of students with the taxpayer's ability to pay.

Therefore we begin by examining the history of budget votes in each of the four study districts. That history of first annual budget votes is reflected in the table that follows.

<b>Table 6.1 History of School Budget Votes in the Study Districts</b>								
Year	Romulus		Seneca Falls		South Seneca		Waterloo	
	Yes	No	Yes	No	Yes	No	Yes	No
2001	161	134	407	141	202	126	665	380
2002	156	107	406	225	292	168	622	265
2003	204	201	414	223	371	821	445	371
2004	353	269	505	294	290	124	301	1430
2005	249	260	403	207	346	126	291	253
2006	243	104	447	200	367	130	459	331
2007	213	122	333	186	251	114	278	230
2008	196	143	326	153	274	173	330	160
2009	222	320	283	126	275	100	262	88
2010	314	230	368	134	417	251	349	216
2011	221	115	369	73	434	230	364	131

While there have been some budget defeats over the past ten years, the pattern in the table above is a high degree of community support for the spending plans put forth by all of the school districts.

Districts that consider merging bring with them some outstanding liabilities including capital debt. When a merger is being considered, if the debt load of the districts is considerably disproportionate, it can be viewed as a deterrent to merger. Therefore, we next looked at the debt service that is currently being carried by each district. This data is on debt that exists for projects actually undertaken by the school districts. Table 6.2 that follows reflects debt service for facilities as well as for school bus purchases.

<b>Table 6.2 Debt Service Projections-Principal and Interest-Before State Aid (Indicates total principal and interest and year existing debt is retired)</b>				
Year Retired	Romulus	Seneca Falls	South Seneca	Waterloo
2011-12				
2012-13	\$88,770	\$384,600		
2013-14	\$286,330			
2014-15			\$399,396*	
2015-16			\$124,500**	\$1,954,263
2016-17			\$9,829,100	
2017-18				
2018-19				\$71,358
2019-20		\$5,202,250		\$8,044,759
2020-21	\$8,041,484	\$3,741,100		\$78,762
2021-22				
2022-23		\$967,551		
2023-24	\$1,673,913	\$2,995,167	\$39,800,618	\$17,288,413
2024-25				\$42,564,537
TOTAL	\$10,090,497	\$13,290,668	\$50,153,614	\$70,002,092

\*School Bus Purchase  
\*\*BOCES Capital Project

The debt load of both South Seneca (\$50,153,614) and Waterloo (\$70,022,092) is considerably greater than either Romulus (\$10,090,497) or Seneca Falls (\$13,290,668). This is a factor that must be considered. However, it is important to note that the data contained in Table 6.2 is the total cost of principal and interest payments necessary to retire existing debt and does not include financial assistance received from the state in the form of building aid. The building aid ratios for the four study districts are as follows:

Romulus-77.4%  
Seneca Falls-90.3%  
South Seneca-98%  
Waterloo-97.5%

While building aid ratios may vary from one capital project to the next, these changes are usually not significant. Obviously, given the percentages above, the state's contribution to these capital costs greatly reduces the impact to the local taxpayer. In South Seneca and Waterloo, for example, the local taxpayer pays approximately two cents on the dollar for these capital costs.

Capital expense is an area where the state pays significant financial incentives for school districts that merge. If two districts merge, the state provides incentives related to new capital construction and existing building debt. For any new capital construction in a merged district, the state adds 30% to the higher district's building aid ratio up to a maximum of 95%, or 98% for high needs districts. This means that for ten years any new construction in a merged district would be aided at the 95%/98% level, regardless of the combination of study districts involved in the merger.

Financial incentives for existing building debt are also available from the state. When districts merge, each individual district's capital debt is brought forward and becomes an obligation of the merged district. However, with a merger, this existing capital debt is aided by the state at the higher of the two previous districts' building aid ratios. For example, if Romulus merged with South Seneca, the capital debt from Romulus that is currently being aided at 77.4% would be aided at South Seneca's higher ratio of 98%. Similarly, if Seneca Falls merged with Waterloo, the capital debt from Seneca Falls that is currently aided at 90.3% would be aided at Waterloo's higher ratio of 97.5%.

School districts that are well managed put money aside for unexpected events such as emergencies (for example, replacing a school's boiler) as well as for expected future expenditures (for example, capital improvements). Mergers are somewhat like a marriage. When districts merge, along with liabilities brought to the marriage, each also provides assets. The reserved funds and unappropriated fund balance a school district has established are assets. Therefore, we reviewed all four school district reserve accounts and unappropriated fund balance as of June 2011 as summarized in Table 6.3 that follows.

<b>Table 6.3</b>				
<b>School District Reserves &amp; Fund Balances-2010-11</b>				
Reserve	Romulus	Seneca Falls	South Seneca	Waterloo
Workers Comp	\$91,516	\$143,840	\$352,627	\$389,725
Unemployment	\$373,316	\$772,061	\$220,062	\$396,389
Encumbrances	\$2,188	\$200,782	\$14,134	\$201,156
ERS	\$306,962	\$570,170	\$1,578,203	\$3,377,635
Liability			\$353,450	\$342,932
Insurance				\$279,150
Tax Certiorari	\$22,992	\$36,754		\$672,633
EBLR	\$175,466	\$569,521	\$614,660	\$233,140
Capital-Building	\$1,628,932	\$930,615	\$50,402	\$8,450,947
Capital-Bus	\$292,917	\$1,069,238		\$1,967,985
<b>Total Reserves</b>	<b>\$2,894,289</b>	<b>\$4,292,980</b>	<b>\$3,183,538</b>	<b>\$16,311,692</b>
Fund Balance				
Unappropriated	\$429,922	\$967,835	\$869,217	\$1,359,422
Appropriated	\$163,215	\$400,000	\$1,010,000	\$100,000

It can be seen from Table 6.3 that Romulus had \$2,894,289 in reserves and an unappropriated fund balance of \$429,922; Seneca Falls' reserves totaled \$4,292,980 and its unappropriated fund balance was \$967,835; South Seneca's reserves were \$3,183,538 and its unappropriated fund balance totaled \$869,217; and, Waterloo's reserves amounted to \$16,311,692 and its unappropriated fund balance was \$1,359,422. The appropriated fund balance figures represent the monies each district used last year to control the tax levy for 2011-12.

The four study districts, like all other school districts in New York State, are required to set their tax rate for the 2011-12 school by September 1, 2011. The following table highlights items from this tax rate calculation.

<b>Table 6.4</b>				
<b>Financial Information-2011-12 Tax Calculation</b>				
	Romulus	Seneca Falls	South Seneca	Waterloo
True Value	\$277,095,499	\$428,809,954	\$436,121,053	\$516,680,789
2011-12 School Levy	\$5,270,340	\$11,577,780	\$6,852,443	\$11,085,019
True Tax Rate	\$19.02	\$23.92	\$15.71	\$20.39

Calculating true value tax rates is the only fair way to compare one district to the next due to variations in local assessment practices. Also, the percentage spread between two or more school district tax rates becomes important when districts are considering a potential merger as will be evidenced later.

An extremely important benefit of school district consolidation in New York State is the amount of extra (incentive) state aid a newly merged district receives. This additional incentive aid is determined by the wealth of the new district and a 14-year declining *additional* percentage of general aid called incentive operating aid. The first five years following a merger, an additional 40% of the 2006-07 base

operating aids of the previous districts is received. Beginning in year six, the percentage is reduced 4% a year for the next nine years. In year 15, the incentive aid is discontinued. Table 6.5 that follows shows that amount of incentive operating aid that would be generated should the four districts merge.

<b>Table 6.5 Incentive Operating Aid for Romulus, Seneca Falls, South Seneca, and Waterloo</b>							
Year	Romulus 2006-07 Operating Aid	Seneca Falls 2006-07 Operating Aid	South Seneca 2006-07 Operating Aid	Waterloo 2006-07 Operating Aid	Combined 2006-07 Operating Aid	Incentive Operating Aid %	Incentive Operating Aid
2013-14 (1)	1,505,135	4,052,206	3,010,724	7,458,119	16,026,184	0.4	6,410,474
2014-15 (2)	1,505,135	4,052,206	3,010,724	7,458,119	16,026,184	0.4	6,410,474
2015-16 (3)	1,505,135	4,052,206	3,010,724	7,458,119	16,026,184	0.4	6,410,474
2016-17 (4)	1,505,135	4,052,206	3,010,724	7,458,119	16,026,184	0.4	6,410,474
2017-18 (5)	1,505,135	4,052,206	3,010,724	7,458,119	16,026,184	0.4	6,410,474
2018-19 (6)	1,505,135	4,052,206	3,010,724	7,458,119	16,026,184	0.36	5,769,426
2019-20 (7)	1,505,135	4,052,206	3,010,724	7,458,119	16,026,184	0.32	5,128,379
2020-21 (8)	1,505,135	4,052,206	3,010,724	7,458,119	16,026,184	0.28	4,487,332
2021-22 (9)	1,505,135	4,052,206	3,010,724	7,458,119	16,026,184	0.24	3,846,284
2022-23 (10)	1,505,135	4,052,206	3,010,724	7,458,119	16,026,184	0.2	3,205,237
2023-24 (11)	1,505,135	4,052,206	3,010,724	7,458,119	16,026,184	0.16	2,564,189
2024-25 (12)	1,505,135	4,052,206	3,010,724	7,458,119	16,026,184	0.12	1,923,142
2025-26 (13)	1,505,135	4,052,206	3,010,724	7,458,119	16,026,184	0.08	1,282,095
2026-27 (14)	1,505,135	4,052,206	3,010,724	7,458,119	16,026,184	0.04	641,047
2027-28 (15)	1,505,135	4,052,206	3,010,724	7,458,119	16,026,184	0	-
						<b>TOTAL</b>	<b>60,899,499</b>

As Table 6.5 above illustrates, the total base year aids for the four districts in 2006-07 is \$16,026,184. The additional 40% incentive aid following a merger would be \$6,410,474 for the first five years after reorganization. In total, after the 14 years in which additional incentive operating aid would be paid to the merged district, the new district would realize \$60,899,499 in extra revenue as a result of merging.

The following tables 6.6-6.12 illustrate the amount of incentive operating aid that would be received by a merged district given all remaining seven possible district configurations.

<b>Table 6.6 Incentive Operating Aid for Romulus, Seneca Falls, and South Seneca</b>						
Year	Romulus 2006-07 Operating Aid	Seneca Falls 2006- 07 Operating Aid	South Seneca 2006-07 Operating Aid	Combined 2006-07 Operating Aid	Incentive Operating Aid %	Incentive Operating Aid
2013-14 (1)	1,505,135	4,052,206	3,010,724	8,568,065	0.4	3,427,226
2014-15 (2)	1,505,135	4,052,206	3,010,724	8,568,065	0.4	3,427,226
2015-16 (3)	1,505,135	4,052,206	3,010,724	8,568,065	0.4	3,427,226
2016-17 (4)	1,505,135	4,052,206	3,010,724	8,568,065	0.4	3,427,226
2017-18 (5)	1,505,135	4,052,206	3,010,724	8,568,065	0.4	3,427,226

2018-19 (6)	1,505,135	4,052,206	3,010,724	8,568,065	0.36	3,084,503
2019-20 (7)	1,505,135	4,052,206	3,010,724	8,568,065	0.32	2,741,781
2020-21 (8)	1,505,135	4,052,206	3,010,724	8,568,065	0.28	2,399,058
2021-22 (9)	1,505,135	4,052,206	3,010,724	8,568,065	0.24	2,056,336
2022-23 (10)	1,505,135	4,052,206	3,010,724	8,568,065	0.2	1,713,613
2023-24 (11)	1,505,135	4,052,206	3,010,724	8,568,065	0.16	1,370,890
2024-25 (12)	1,505,135	4,052,206	3,010,724	8,568,065	0.12	1,028,168
2025-26 (13)	1,505,135	4,052,206	3,010,724	8,568,065	0.08	685,445
2026-27 (14)	1,505,135	4,052,206	3,010,724	8,568,065	0.04	342,723
2027-28 (15)	1,505,135	4,052,206	3,010,724	8,568,065	0	-
					<b>TOTAL</b>	<b>32,558,647</b>

<b>Table 6.7 Incentive Operating Aid for Romulus, South Seneca, and Waterloo</b>						
Year	Romulus 2006-07 Operating Aid	South Seneca 2006-07 Operating Aid	Waterloo 2006-07 Operating Aid	Combined 2006-07 Operating Aid	Incentive Operating Aid %	Incentive Operating Aid
2013-14 (1)	1,505,135	3,010,724	7,458,119	11,973,978	0.4	4,789,591
2014-15 (2)	1,505,135	3,010,724	7,458,119	11,973,978	0.4	4,789,591
2015-16 (3)	1,505,135	3,010,724	7,458,119	11,973,978	0.4	4,789,591
2016-17 (4)	1,505,135	3,010,724	7,458,119	11,973,978	0.4	4,789,591
2017-18 (5)	1,505,135	3,010,724	7,458,119	11,973,978	0.4	4,789,591
2018-19 (6)	1,505,135	3,010,724	7,458,119	11,973,978	0.36	4,310,632
2019-20 (7)	1,505,135	3,010,724	7,458,119	11,973,978	0.32	3,831,673
2020-21 (8)	1,505,135	3,010,724	7,458,119	11,973,978	0.28	3,352,714
2021-22 (9)	1,505,135	3,010,724	7,458,119	11,973,978	0.24	2,873,755
2022-23 (10)	1,505,135	3,010,724	7,458,119	11,973,978	0.2	2,394,796
2023-24 (11)	1,505,135	3,010,724	7,458,119	11,973,978	0.16	1,915,836
2024-25 (12)	1,505,135	3,010,724	7,458,119	11,973,978	0.12	1,436,877
2025-26 (13)	1,505,135	3,010,724	7,458,119	11,973,978	0.08	957,918
2026-27 (14)	1,505,135	3,010,724	7,458,119	11,973,978	0.04	478,959
2027-28 (15)	1,505,135	3,010,724	7,458,119	11,973,978	0	-
					<b>TOTAL</b>	<b>45,501,116</b>

<b>Table 6.8 Incentive Operating Aid for Romulus, Seneca Falls, and Waterloo</b>						
Year	Romulus 2006-07 Operating Aid	Seneca Falls 2006- 07 Operating Aid	Waterloo 2006-07 Operating Aid	Combined 2006-07 Operating Aid	Incentive Operating Aid %	Incentive Operating Aid
2013-14 (1)	1,505,135	4,052,206	7,458,119	13,015,460	0.4	5,206,184
2014-15 (2)	1,505,135	4,052,206	7,458,119	13,015,460	0.4	5,206,184
2015-16 (3)	1,505,135	4,052,206	7,458,119	13,015,460	0.4	5,206,184
2016-17 (4)	1,505,135	4,052,206	7,458,119	13,015,460	0.4	5,206,184
2017-18 (5)	1,505,135	4,052,206	7,458,119	13,015,460	0.4	5,206,184
2018-19 (6)	1,505,135	4,052,206	7,458,119	13,015,460	0.36	4,685,566
2019-20 (7)	1,505,135	4,052,206	7,458,119	13,015,460	0.32	4,164,947
2020-21 (8)	1,505,135	4,052,206	7,458,119	13,015,460	0.28	3,644,329
2021-22 (9)	1,505,135	4,052,206	7,458,119	13,015,460	0.24	3,123,710
2022-23 (10)	1,505,135	4,052,206	7,458,119	13,015,460	0.2	2,603,092
2023-24 (11)	1,505,135	4,052,206	7,458,119	13,015,460	0.16	2,082,474
2024-25 (12)	1,505,135	4,052,206	7,458,119	13,015,460	0.12	1,561,855
2025-26 (13)	1,505,135	4,052,206	7,458,119	13,015,460	0.08	1,041,237
2026-27 (14)	1,505,135	4,052,206	7,458,119	13,015,460	0.04	520,618
2027-28 (15)	1,505,135	4,052,206	7,458,119	13,015,460	0	-
					<b>TOTAL</b>	<b>49,458,748</b>

<b>Table 6.9</b>					
<b>Incentive Operating Aid for Romulus and South Seneca</b>					
Year	Romulus 2006-07 Operating Aid	South Seneca 2006-07 Operating Aid	Combined 2006-07 Operating Aid	Incentive Operating Aid %	Incentive Operating Aid
2013-14 (1)	1,505,135	3,010,724	4,515,859	0.4	1,806,344
2014-15 (2)	1,505,135	3,010,724	4,515,859	0.4	1,806,344
2015-16 (3)	1,505,135	3,010,724	4,515,859	0.4	1,806,344
2016-17 (4)	1,505,135	3,010,724	4,515,859	0.4	1,806,344
2017-18 (5)	1,505,135	3,010,724	4,515,859	0.4	1,806,344
2018-19 (6)	1,505,135	3,010,724	4,515,859	0.36	1,625,709
2019-20 (7)	1,505,135	3,010,724	4,515,859	0.32	1,445,075
2020-21 (8)	1,505,135	3,010,724	4,515,859	0.28	1,264,441
2021-22 (9)	1,505,135	3,010,724	4,515,859	0.24	1,083,806
2022-23 (10)	1,505,135	3,010,724	4,515,859	0.2	903,172
2023-24 (11)	1,505,135	3,010,724	4,515,859	0.16	722,537
2024-25 (12)	1,505,135	3,010,724	4,515,859	0.12	541,903
2025-26 (13)	1,505,135	3,010,724	4,515,859	0.08	361,269
2026-27 (14)	1,505,135	3,010,724	4,515,859	0.04	180,634
2027-28 (15)	1,505,135	3,010,724	4,515,859	0	-
				<b>TOTAL</b>	<b>17,160,264</b>

<b>Table 6.10</b>					
<b>Incentive Operating Aid for Romulus and Seneca Falls</b>					
Year	Romulus 2006-07 Operating Aid	Seneca Falls 2006-07 Operating Aid	Combined 2006-07 Operating Aid	Incentive Operating Aid %	Incentive Operating Aid
2013-14 (1)	1,505,135	4,052,206	5,557,341	0.4	2,222,936
2014-15 (2)	1,505,135	4,052,206	5,557,341	0.4	2,222,936
2015-16 (3)	1,505,135	4,052,206	5,557,341	0.4	2,222,936
2016-17 (4)	1,505,135	4,052,206	5,557,341	0.4	2,222,936
2017-18 (5)	1,505,135	4,052,206	5,557,341	0.4	2,222,936
2018-19 (6)	1,505,135	4,052,206	5,557,341	0.36	2,000,643
2019-20 (7)	1,505,135	4,052,206	5,557,341	0.32	1,778,349
2020-21 (8)	1,505,135	4,052,206	5,557,341	0.28	1,556,055
2021-22 (9)	1,505,135	4,052,206	5,557,341	0.24	1,333,762
2022-23 (10)	1,505,135	4,052,206	5,557,341	0.2	1,111,468
2023-24 (11)	1,505,135	4,052,206	5,557,341	0.16	889,175
2024-25 (12)	1,505,135	4,052,206	5,557,341	0.12	666,881
2025-26 (13)	1,505,135	4,052,206	5,557,341	0.08	444,587
2026-27 (14)	1,505,135	4,052,206	5,557,341	0.04	222,294
2027-28 (15)	1,505,135	4,052,206	5,557,341	0	-
				<b>TOTAL</b>	<b>21,117,896</b>

<b>Table 6.11</b>					
<b>Incentive Operating Aid for Romulus and Waterloo</b>					



Year	Romulus 2006-07 Operating Aid	Waterloo 2006-07 Operating Aid	Combined 2006-07 Operating Aid	Incentive Operating Aid %	Incentive Operating Aid
2013-14 (1)	1,505,135	7,458,119	8,963,254	0.4	3,585,302
2014-15 (2)	1,505,135	7,458,119	8,963,254	0.4	3,585,302
2015-16 (3)	1,505,135	7,458,119	8,963,254	0.4	3,585,302
2016-17 (4)	1,505,135	7,458,119	8,963,254	0.4	3,585,302
2017-18 (5)	1,505,135	7,458,119	8,963,254	0.4	3,585,302
2018-19 (6)	1,505,135	7,458,119	8,963,254	0.36	3,226,771
2019-20 (7)	1,505,135	7,458,119	8,963,254	0.32	2,868,241
2020-21 (8)	1,505,135	7,458,119	8,963,254	0.28	2,509,711
2021-22 (9)	1,505,135	7,458,119	8,963,254	0.24	2,151,181
2022-23 (10)	1,505,135	7,458,119	8,963,254	0.2	1,792,651
2023-24 (11)	1,505,135	7,458,119	8,963,254	0.16	1,434,121
2024-25 (12)	1,505,135	7,458,119	8,963,254	0.12	1,075,590
2025-26 (13)	1,505,135	7,458,119	8,963,254	0.08	717,060
2026-27 (14)	1,505,135	7,458,119	8,963,254	0.04	358,530
2027-28 (15)	1,505,135	7,458,119	8,963,254	0	-
				<b>TOTAL</b>	<b>34,060,365</b>

<b>Table 6.12 Incentive Operating Aid for Seneca Falls and Waterloo</b>					
Year	Seneca Falls 2006-07 Operating Aid	Waterloo 2006-07 Operating Aid	Combined 2006-07 Operating Aid	Incentive Operating Aid %	Incentive Operating Aid
2013-14 (1)	4,052,206	7,458,119	11,510,325	0.4	4,604,130
2014-15 (2)	4,052,206	7,458,119	11,510,325	0.4	4,604,130
2015-16 (3)	4,052,206	7,458,119	11,510,325	0.4	4,604,130
2016-17 (4)	4,052,206	7,458,119	11,510,325	0.4	4,604,130
2017-18 (5)	4,052,206	7,458,119	11,510,325	0.4	4,604,130
2018-19 (6)	4,052,206	7,458,119	11,510,325	0.36	4,143,717
2019-20 (7)	4,052,206	7,458,119	11,510,325	0.32	3,683,304
2020-21 (8)	4,052,206	7,458,119	11,510,325	0.28	3,222,891
2021-22 (9)	4,052,206	7,458,119	11,510,325	0.24	2,762,478
2022-23 (10)	4,052,206	7,458,119	11,510,325	0.2	2,302,065
2023-24 (11)	4,052,206	7,458,119	11,510,325	0.16	1,841,652
2024-25 (12)	4,052,206	7,458,119	11,510,325	0.12	1,381,239
2025-26 (13)	4,052,206	7,458,119	11,510,325	0.08	920,826
2026-27 (14)	4,052,206	7,458,119	11,510,325	0.04	460,413
2027-28 (15)	4,052,206	7,458,119	11,510,325	0	-
				<b>TOTAL</b>	<b>43,739,235</b>

An examination of these tables makes it clear that the State of New York provides significant financial incentives in order to entice school districts to merge. Summarizing the previous eight tables, the following amounts of incentive operating aid would be paid to the districts based on the following combination of districts:

All four districts merging into one:

*A. Romulus/Seneca Falls/South Seneca/Waterloo-\$60,899,499*

Three, three district combinations:

*B. Romulus/Seneca Falls/South Seneca -\$32,558,647*

*C. Romulus/South Seneca/Waterloo-\$45,501,116*

*D. Romulus/Seneca Falls/Waterloo-\$49,458,748*

Four, two district combinations:

*E. Romulus/South Seneca-\$17,160,264*

*F. Romulus/Seneca Falls-\$21,117,896*

*G. Romulus/Waterloo-\$34,060,365*

*H. Seneca Falls/Waterloo-\$43,739,235*

While decisions about the allocation of resources are left solely to the discretion of the new board of education in a merged district, it is not unusual for boards to divide the incentive operating aid into three relatively equal priorities. These priorities are:

1. Using incentive operating aid to pay for transition costs and starting up new programs; there are always costs that exist when two school districts merge. These costs may include new academic programs, enhancing academic support and talent development, starting new extra-curricular programs, adjusting salaries, having new signs for the school buildings, buying new uniforms, developing a new policy manual, etc.
2. Using incentive operating aid to fund reserves to ensure the long-term fiscal stability of the merged district. The incentive operating aid from the state decreases by 4% starting in year six and for each year thereafter for the next nine years. If prudent planning has not been done in advance, this reduction in incentive operating aid will result in significant tax increases for the residents after the first few years of the merger.
3. Using incentive operating aid to reduce taxes immediately after the merger.

As mentioned previously, neighboring school districts can have widely varying tax rates. Consequently, despite additional incentive aid a merger of two or more districts might realize, it is important to compare the current tax rates of each and to calculate the impact of the additional incentive merger aid on each district's current tax rate. Tables 6.13-6.20 do just this.

Most districts that merge expect to apply some percentage of this incentive operating aid to stabilize or reduce the local tax rate. In most of the merger studies we have done, we typically recommend the new district begin by considering one-third of the incentive aid be used for this purpose and then adjusting according to local expectations and prudent planning. In Table 6.13, we calculated the tax levy (using 2011-12 fiscal year as a base) as if the four districts had merged. Next, we applied 1/3 of the incentive operating aid to calculate how this additional revenue would have affected the 2011-12 tax levy. Had this actually occurred, it would have lowered the full-value tax rate in the merged district from \$19.98 to \$18.77. We compared this reduced tax rate to the actual tax rates of the four districts for 2011 (Romulus,

\$19.02; Seneca Falls, \$23.92; Waterloo, \$20.39; and South Seneca, \$15.71). It is apparent that if the four districts had combined into one district this year and 1/3 of the incentive operating aid the merged district received was applied to the tax levy, residents of Romulus, Waterloo and Seneca Falls would have experienced tax relief while those living in South Seneca would have seen their taxes increased. Consequently, the next question when considering this four-district combination is *how much* of the merger incentive aid would have to be used to allow *all* residents of the new district to see either tax stabilization or a reduction in their taxes.

Table 6.13 provides the answer. The last two rows tell us that to reach the actual lowest tax rate of the four districts in 2011 (that of South Seneca, \$15.71), the merged district would need \$7,436,027 additional aid. This is more than the total amount of incentive operating aid that the state would grant this combination of districts. In fact, it would take 116.0% of the actual amount the state would send to the new district.

Consequently, from a tax perspective, there would not be enough additional incentive operating aid for this combination of districts so that all residents would realize either tax stabilization or relief.

<b>Table 6.13</b>			
<b>Tax Impact of Incentive Operating Aid-Four District Combination: Romulus – Seneca Falls - South Seneca - Waterloo</b>			
	Base Aid	2011-12 Levy	
Seneca Falls	\$4,052,206	\$11,577,780	
Waterloo	\$7,458,119	\$11,085,019	
Romulus	\$1,505,135	\$5,270,340	
South Seneca	\$3,010,724	\$6,852,443	
Total	\$16,026,184	\$34,785,582	
Additional 40%	\$6,410,474		
33% Incentive Aid	\$2,115,456		
Total Levy Less 33% Incentive Aid		\$32,670,126	
Total Levy Less all Incentive Aid		\$28,375,108	
Romulus Taxable Full Value	\$277,095,499		
Seneca Falls Taxable Full Value	\$484,061,958		
South Seneca Taxable Full Value	\$436,121,053		
Waterloo Taxable Full Value	\$543,622,535		
Combined Taxable Full Value	\$1,740,901,045		
Full Value Tax Rate with 33% of Incentive Aid Applied		\$18.77	
Full Value Tax Rate with all Incentive Aid Applied		\$16.30	
<b>Equation to get to Lowest Tax Level</b>			
(Total tax levy/total full value) X 1000=tax rate			
(X/fv) X 1000=lowest tax rate			
(X/\$1,740,901,045) X 1000=\$15.71			\$27,349,555

$(X/\$1,740,901,045)=.01571$	
X=\$27,349,555	
<b>Actual 2011-12 Total Tax Levy</b>	
Actual 2011-12 Total Tax Levy	\$34,785,582
Levy Needed to get to tax rate of \$15.71	\$27,349,555
Amount of Incentive Aid/other revenue/efficiencies	\$7,436,027
% of all incentive aid to get to lowest tax rate	<b>116.0%</b>

Tables 6.14 through 6.20 below follow the same basic pattern as Table 6.13. In each possible district configuration the amount of incentive aid needed is determined. In reading these tables it is assumed that any combination that would consume more than 65% of the incentive operating aid in the first year after merger would not be a feasible combination from an aid perspective.

<b>Table 6.14</b>			
<b>Tax Impact of Incentive Operating Aid- Romulus - Seneca Falls - South Seneca</b>			
	Base Aid	2011-12 Levy	
Seneca Falls	\$4,052,206	\$11,577,780	
Romulus	\$1,505,135	\$5,270,340	
South Seneca	\$3,010,724	\$6,852,443	
<b>Total</b>	<b>\$8,568,065</b>	<b>\$23,700,563</b>	
<b>Additional 40%</b>			
	\$3,427,226		
<b>33% Incentive Aid</b>			
	\$1,130,985		
Total Levy Less 33% Incentive Aid		\$22,569,578	
Total Levy Less all Incentive Aid		\$20,273,337	
<b>Romulus Taxable Full Value</b>			
	\$277,095,499		
<b>Seneca Falls Taxable Full Value</b>			
	\$484,061,958		
<b>South Seneca Taxable Full Value</b>			
	\$436,121,053		
<b>Combined Taxable Full Value</b>			
	\$1,197,278,510		
<b>Full Value Tax Rate with 33% of Incentive Aid Applied</b>			
		\$18.85	
<b>Full Value Tax Rate with all Incentive Aid Applied</b>			
		\$16.93	
<b>Equation to get to Lowest Tax Level</b>			
$(\text{Total tax levy}/\text{total full value}) \times 1000 = \text{tax rate}$			
$(X/\text{fv}) \times 1000 = \text{lowest tax rate}$			
$(X/\$1,169,766,478) \times 1000 = \$15.71$			\$18,377,031
$(X/\$1,169,766,478) = .01571$			
X=\$18,377,031			
<b>Actual 2011-12 Total Tax Levy</b>			
Actual 2011-12 Total Tax Levy			\$23,700,563
<b>Levy Needed to get to tax rate of \$15.71</b>			
Levy Needed to get to tax rate of \$15.71			\$18,377,031

Amount of Incentive Aid/other revenue/efficiencies	\$5,323,532
% of all incentive aid to get to lowest tax rate	<b>155.3%</b>

<b>Table 6.15</b>			
<b>Tax Impact of Incentive Operating Aid- Romulus - Seneca Falls - Waterloo</b>			
	Base Aid	2011-12 Levy	
Seneca Falls	\$4,052,206	\$11,577,780	
Waterloo	\$7,458,119	\$11,085,019	
Romulus	\$1,505,135	\$5,270,340	
Total	\$13,015,460	\$27,933,139	
Additional 40%	\$5,206,184		
33% Incentive Aid	\$1,718,041		
Total Levy Less 33% Incentive Aid		\$26,215,098	
Total Levy Less all Incentive Aid		\$22,726,955	
Romulus Taxable Full Value	\$277,095,499		
Seneca Falls Taxable Full Value	\$484,061,958		
Waterloo Taxable Full Value	\$543,622,535		
Combined Taxable Full Value	\$1,304,779,992		
Full Value Tax Rate with 33% of Incentive Aid Applied		\$20.09	
Full Value Tax Rate with all Incentive Aid Applied		\$17.42	
<b>Equation to get to Lowest Tax Level</b>			
(Total tax levy/total full value) X 1000=tax rate			
(X/fv) X 1000=lowest tax rate			
(X/\$1,275,482,511) X 1000=\$19.02			\$24,259,677
(X/\$1,275,482,511)=.01902			
X=\$24,259,677			
Actual 2011-12 Total Tax Levy			\$27,933,139
Levy Needed to get to tax rate of \$19.02			\$24,259,677
Amount of Incentive Aid/other revenue/efficiencies			\$3,673,462
% of all incentive aid to get to lowest tax rate			<b>70.6%</b>

<b>Table 6.16</b>			
<b>Tax Impact of Incentive Operating Aid- Romulus - South Seneca - Waterloo</b>			
	Base Aid	2011-12 Levy	
Waterloo	\$7,458,119	\$11,085,019	
Romulus	\$1,505,135	\$5,270,340	
South Seneca	\$3,010,724	\$6,852,443	
Total	\$11,973,978	\$23,207,802	
Additional 40%	\$4,789,591		
33% Incentive Aid	\$1,580,565		
Total Levy Less 33% Incentive Aid		\$21,627,237	
Total Levy Less all Incentive Aid		\$18,418,211	
Romulus Taxable Full Value	\$277,095,499		
South Seneca Taxable Full Value	\$436,121,053		
Waterloo Taxable Full Value	\$543,622,535		
Combined Taxable Full Value	\$1,256,839,087		
Full Value Tax Rate with 33% of Incentive Aid Applied		\$17.21	
Full Value Tax Rate with all Incentive Aid Applied		\$14.65	
<b>Equation to get to Lowest Tax Level</b>			
(Total tax levy/total full value) X 1000=tax rate			
(X/fv) X 1000=lowest tax rate			
(X/\$1,229,382,670) X 1000=\$15.71			\$19,313,602
(X/\$1,229,382,670)=.01571			
X=\$19,313,602			
Actual 2011-12 Total Tax Levy			\$23,207,802
Levy Needed to get to tax rate of \$15.71			\$19,313,602
Amount of Incentive Aid/other revenue/efficiencies			\$3,894,200
% of all incentive aid to get to lowest tax rate			<b>81.3%</b>

<b>Table 6.17</b>			
<b>Tax Impact of Incentive Operating Aid-Romulus - Waterloo</b>			
	Base Aid	2011-12 Levy	
Waterloo	\$7,458,119	\$11,085,019	
Romulus	\$1,505,135	\$5,270,340	
Total	\$8,963,254	\$16,355,359	
Additional 40%	\$3,585,302		
33% Incentive Aid	\$1,183,150		
Total Levy Less 33% Incentive Aid		\$15,172,209	
Total Levy Less all Incentive Aid		\$12,770,057	
Romulus Taxable Full Value	\$274,377,363		
Waterloo Taxable Full Value	\$543,622,535		
Combined Taxable Full Value	\$817,999,898		
Full Value Tax Rate with 33% of Incentive Aid Applied		\$18.55	
Full Value Tax Rate with all Incentive Aid Applied		\$15.61	
<b>Equation to get to Lowest Tax Level</b>			
$(\text{Total tax levy}/\text{total full value}) \times 1000 = \text{tax rate}$			
$(X/\text{fv}) \times 1000 = \text{lowest tax rate}$			
$(X/\$817,999,898) \times 1000 = \$19.02$			
$(X/\$817,999,898) = .01902$			\$15,306,117
$X = \$15,306,117$			
Actual 2011-12 Total Tax Levy			\$16,355,359
Levy Needed to get to tax rate of \$19.02			\$15,306,117
Amount of Incentive Aid/other revenue/efficiencies			\$1,049,242
% of all incentive aid to get to lowest tax rate			<b>29.3%</b>



<b>Table 6.18</b>			
<b>Tax Impact of Incentive Operating Aid-Romulus - South Seneca</b>			
	Base Aid	2011-12 Levy	
South Seneca	\$3,010,724	\$6,852,443	
Romulus	\$1,505,135	\$5,270,340	
Total	\$4,515,859	\$12,122,783	
Additional 40%	\$1,806,344		
33% Incentive Aid	\$596,093		
Total Levy Less 33% Incentive Aid		\$11,526,690	
Total Levy Less all Incentive Aid		\$10,316,439	
Romulus Taxable Full Value	\$274,377,363		
South Seneca Taxable Full Value	\$436,121,053		
Combined Taxable Full Value	\$710,498,416		
Full Value Tax Rate with 33% of Incentive Aid Applied		\$16.22	
Full Value Tax Rate with all Incentive Aid Applied		\$14.52	
<b>Equation to get to Lowest Tax Level</b>			
(Total tax levy/total full value) X 1000=tax rate			
(X/fv) X 1000=lowest tax rate			
(X/\$699,022,000) X 1000=\$15.71			
(X/\$699,022,000)=.01571			\$10,981,636
X=\$10,981,636			
Actual 2011-12 Total Tax Levy			\$12,122,783
Levy Needed to get to tax rate of \$15.71			\$10,981,636
Amount of Incentive Aid/other revenue/efficiencies			\$1,141,147
% of all incentive aid to get to lowest tax rate			<b>63.2%</b>

<b>Table 6.19</b>			
<b>Tax Impact of Incentive Operating Aid-Seneca Falls - Waterloo</b>			
	Base Aid	2011-12 Levy	
Seneca Falls	\$4,052,206	\$11,577,780	
Waterloo	\$7,458,119	\$11,085,019	
Total	\$11,510,325	\$22,662,799	
Additional 40%	\$4,604,130		
33% Incentive Aid	\$1,519,363		
Total Levy Less 33% Incentive Aid		\$21,143,436	
Total Levy Less all Incentive Aid		\$18,058,669	
Seneca Falls Taxable Full Value	\$484,061,958		
Waterloo Taxable Full Value	\$543,622,535		
Combined Taxable Full Value	\$1,027,684,493		
Full Value Tax Rate with 33% of Incentive Aid Applied		\$20.57	
FV Tax Rate-all Incentive Aid Applied		\$17.57	
<b>Equation to get to Lowest Tax Level</b>			
(Total tax levy/total full value) X 1000=tax rate			
(X/fv) X 1000=lowest tax rate			
(X/\$1,001,105,148) X 1000=\$20.39			
(X/\$1,001,105,148)=.02039			\$20,412,534
X=\$20,412,534			
Actual 2011-12 Total Tax Levy			\$22,662,799
Levy Needed to get to tax rate of \$20.39			\$20,412,534
Amount of Incentive Aid/other revenue/efficiencies			\$2,250,265
% of all incentive aid to get to lowest tax rate			<b>48.9%</b>

<b>Table 6.20</b>			
<b>Tax Impact of Incentive Aid-Romulus - Seneca Falls</b>			
	Base Aid	2011-12 Levy	
Seneca Falls	\$4,052,206	\$11,577,780	
Romulus	\$1,505,135	\$5,270,340	
Total	\$5,557,341	\$16,848,120	
Additional 40%	\$2,222,936		
33% Incentive Aid	\$733,569		
Total Levy Less 33% Incentive Aid		\$16,114,551	
Total Levy Less all Incentive Aid		\$14,625,184	
Romulus Taxable Full Value	\$274,377,363		
Seneca Falls Taxable Full Value	\$470,744,478		
Combined Taxable Full Value	\$745,121,841		
Full Value Tax Rat with -33% of Incentive Aid Applied		\$21.63	
Full Value Tax Rate with all Incentive Aid Applied		\$19.63	
<b>Equation to get to Lowest Tax Level</b>			
(Total tax levy/total full value) X 1000=tax rate			
(X/fv) X 1000=lowest tax rate			
(X/\$745,121,841) X 1000=\$19.02			
(X/\$745,121,841)=.01902			\$14,172,217
X=\$14,172,217			
Actual 2011-12 Total Tax Levy			\$16,848,120
Levy Needed to get to tax rate of \$19.02			\$14,172,217
Amount of Incentive Aid/other revenue/efficiencies			\$2,675,903
% of all incentive aid to get to lowest tax rate			<b>120.4%</b>

Summarizing Tables 6.13-6.20 shows the percentage of incentive operating aid that must be applied to the following merger combinations in order for all districts in the merger have a tax rate that was either equal to or less than the tax rate that the particular district had prior to the merger.

All four districts merging into one:

*A. Romulus/Seneca Falls/South Seneca/Waterloo-116.0%*

Three, three district combinations:

*B. Romulus/Seneca Falls/South Seneca -155.3%*

*C. Romulus/Seneca Falls/Waterloo-70.6%*

*D. Romulus/South Seneca/Waterloo-81.3%*

Four, two district combinations:

*E. Romulus/Waterloo-29.3%*

*F. Romulus/South Seneca-63.2%*

*G. Seneca Falls/Waterloo-48.9%*

*H. Romulus/Seneca Falls-120.4%*

Judgments about which combinations of districts might make for successful merger partners are based in part on the assumption that local taxpayers will not want their taxes to go up as the result of a merger. While an earlier paragraph discussed one third of the incentive operating aid being used to reduce the local tax levy, we find that only a Romulus-Waterloo (Option E) or Seneca Falls-Waterloo (Option G) merger would use 50% or less of the incentive aid in the first year after merger to ensure tax rate stabilization. A Romulus-South Seneca (Option F) merger might work. However, Options A, B, C, D, and H which use nearly all or more than all the incentive operating aid that would be available, do not appear to be options for successful merger regardless of other variables that might also be taken into consideration.

Prior to concluding this financial section of the report it is incumbent on us to at least mention the Seneca County Indian land claim for the possible outcome of this could have significant implications for a merger of the districts. In total, there are 204,100 acres of land in Seneca County. Of this, 20,880 acres or 10.2% of the land is in dispute. Much of this disputed land lies within the boundaries of the Romulus (18% of the claimed land) and Seneca Falls (82% of the claimed land) central school districts. In 2008 the Real Property Tax Service in Waterloo estimated the assessed value of these disputed lands to be as follows: Romulus Central School District, \$63,211,726 or 18% of its total assessed property value at the time; Seneca Falls Central School District, \$278,787,763 or 51% of its total assessed property value in 2008. If the land claim were settled in favor of the Native American tribe, the loss of assessed property value would do significant financial harm to the local school districts.

## **Chapter 7**

### **High School Curricular Offerings**

We always encourage any school board that is considering a possible merger discussion to do so with the primary intent to sustain and hopefully enrich the educational program for the young people of the community. In all merger discussions, it is essential to discover what each of the districts brings to the curricular offerings of the other. This is especially important at the high school level.

For this study, we have summarized high school elective and/or unique offerings that each of the Seneca County school districts would bring to a newly formed district. The following table summarizes these offerings. We *have not* included in this table the core courses that all high schools must offer in New York.

Information in this table clearly demonstrates that each district offers some unique courses that would benefit students from any of the other districts. For example, in the sciences, South Seneca could offer any of the other three districts courses in zoology and MCC college science; in social studies, Seneca Falls can offer a course in current issues; in mathematics, South Seneca teaches statistics/advanced statistics; in English, Waterloo can offer British literature.

**Table 7.1  
Unique and/or Elective High School Courses**

<i>Course</i>	<i>Districts</i>			
	<b>Romulus</b>	<b>Seneca Falls</b>	<b>South Seneca</b>	<b>Waterloo</b>
<b><i>Sciences</i></b>				
Zoology/Environmental Zoology			X	X
Meteorology				X
AP Physics		X		
Anatomy & Physiology I & II			X	
Botany			X	
Environmental Ecology			X	
<b><i>Social Studies</i></b>				
Current Issues & Analysis		X		
Psychology	X (FLCC credit)		X	X
The 1960s				X
Sociology 1 & 2	X (1 for FLCC credit)			X
Canadian Studies				X
Beyond Our Borders			X	
Founding Fathers			X	
<b><i>Mathematics</i></b>				
Statistics/Advanced Statistics			X	
Business Math		X	X	X
AP Calculus		X	X	X
Computer Math	X			
<b><i>English</i></b>				
AP English		X		
British Literature				X
AP Literature & Composition			X	X
Creative Writing Workshop	X			X
Public Speaking				X
SAT Prep				X
College Writing	X (FLCC credit)			

**Table 7.1 Continued**  
**Unique and/or Elective High School Courses**

<i>Course</i>	<i>Districts</i>			
	<b>Romulus</b>	<b>Seneca Falls</b>	<b>South Seneca</b>	<b>Waterloo</b>
<b><i>Business</i></b>				
International Business		X		
Financial Literacy			X	
Business Law		X	X	X
Accounting		X	X	
DMP			X	
Advanced DMP			X	
Journalism	X	X		
Marketing	X		X	
Accounting I	X		X	X
Accounting II	X			X
Career and Finance Management		X		X
Computer Principles		X		
Business Communications		X	X	
Fashion & Hospitality Management		X		
Sport Entertainment Management		X		X
Web Page Design I and II			X	X (I only)
Business Applications		X		
<b><i>Foreign Languages</i></b>				
French 1-4		X		X
French 5				X
Spanish 5	X			X
<b><i>Art</i></b>				
Photography	X	X	X	
AP Art History	X			
Advanced Art		X		
Studio in Sculpture				X
Studio in Home Design				X
Studio in Portfolio Design				X
<b><i>Home &amp; Careers</i></b>				
Food and Nutrition	X	X		
Life Span Studies		X		
Housing and Environment		X		

**Table 7.1 Continued**  
**Unique and/or Elective High School Courses**

<i>Course</i>	<i>Districts</i>			
	<b>Romulus</b>	<b>Seneca Falls</b>	<b>South Seneca</b>	<b>Waterloo</b>
Food and Culture		X		
Adolescent Psychology		X		
Child Development & Psychology		X		
Independent Living		X		
Nutrition, Health and Fitness		X		
Food Preparation I				X
<b><i>Technology</i></b>				
Communication Systems		X		
Transportation Systems			X	X
Production Systems				X
Electricity & Electronics			X	X
Residential Structures			X	X
Design and Drawing for Production	X	X	X	
Technical Drawing		X	X	X (A&B)
Architectural Drawing	X	X	X	
CAD		X	X	X (I&II)
Computer App/Web Design		X		
Computer Graphics		X		
Basic Carpentry/Res. Construction		X	X	
Manufacturing Systems		X		
Advanced Production Systems				X
Woodworking		X	X	
Digital Electronics			X	
Electronic Hardware			X	
Surveying			X	
Small Engines			X	
Electronic Hardware			X	
Soils, Water and Forests	X (FLCC credit)			
<b><i>Music</i></b>				
Music Theater		X		
Music Technology		X		
Music Theory	X	X		X (I&II)
Vocal Jazz		X	X	



<b>Table 7.1 Continued</b>				
<b>Unique and/or Elective High School Courses</b>				
<i>Course</i>	<i>Districts</i>			
	<b>Romulus</b>	<b>Seneca Falls</b>	<b>South Seneca</b>	<b>Waterloo</b>
Instrumental Jazz		X	X	
<b><i>Health</i></b>				
Responding to Emergencies			X	
Personal Health & Wellness			X	

In Table 7.2 that follows, we have analyzed how many elective and/or unique course offerings would be available to each of the districts under all eight possible merger configurations. For example, if all four districts were to merge, Romulus high school students would benefit by *perhaps* having 70 additional courses offered that they don't currently have available; Seneca Falls high school students would have 46; South Seneca students, 48; and Waterloo high school students would have 52 new courses available. Clearly in any of the eight possible district merger combinations, Romulus High School students would receive the most benefit from additional new courses being offered. The merger combination with the most equitable derived benefit would be if Seneca Falls and Waterloo merged and consolidated their two high school schedules.

<b>Table 7.2</b>				
<b>Number of Unique and/or Elective Courses Available to Each District</b>				
<b>Merger Combinations</b>	<b>Romulus</b>	<b>Seneca Falls</b>	<b>South Seneca</b>	<b>Waterloo</b>
All four districts	70	46	48	52
Romulus/Seneca Falls/Waterloo	54	29		35
Romulus/Seneca Falls/South Seneca	57	32	34	
Romulus/South Seneca/Waterloo	49		27	31
Romulus/Waterloo	28			9
Romulus/South Seneca	26		10	
Seneca Falls/Waterloo		25		31
Romulus/Seneca Falls	35	11		

## **Chapter 8**

### **Athletics**

Interscholastic athletics can evoke strong emotions in people. Therefore, we have seen instances in which discussion of a possible merger between districts has brought some of the emotions to the surface

in an unproductive manner. Consequently, it is important to explore if there are/have been strong athletic rivalries among any districts considering engaging in a merger study.

Romulus is a Class D school that plays in the Finger Lakes Athletic Association. South Seneca, a Class C school, also plays in the Finger Lakes Athletic Association. These two schools identify each other as their main athletic rivalry. Depending on the sport, Waterloo and Seneca Falls are either Class B or C schools athletically. Like Romulus and South Seneca, Seneca Falls and Waterloo play in the Finger Lakes Athletic Association (East or Central depending on the sport). They identify each other as their main athletic rivalry.

Some sharing of athletic teams occurs in the region. Seneca Falls used to have some Romulus students participate on its football team but because it caused Seneca Falls to move up a class, this was discontinued. Romulus girls, however, do participate on some Seneca Falls athletic teams. Waterloo shares an ice hockey team with Geneva.

Tables 8.1-8.3 which follow show the number of interscholastic athletic opportunities that are available to the students of each in the four study districts as well as their participation rates for the 2010-11 school year.

<b>Table 8.1</b>				
<b>Interscholastic Athletic Participation Rates-Fall-2010-11</b>				
Fall Sport	Romulus	Seneca Falls	South Seneca	Waterloo
Football, Varsity	2*	24	26	32
Football, JV				30
Football, Modified		36	17	
Soccer, Varsity Boys	15	21	19	20
Soccer, JV Boys		15		13
Soccer, Modified Boys	2*	19	14	15
Soccer, Varsity Girls	16	22	16	20
Soccer, JV Girls	17	20	18	22
Soccer, Modified Girls		23	30	16
Golf, Varsity Boys	9	6	7	11
Tennis, Varsity Girls		8		10
Tennis, JV Girls		13		
Tennis, Modified Girls		9		
Cross Country, Varsity Boys		11		9
Cross Country, Modified Boys		6		
Cross Country, Varsity Girls		5		11
Cross Country, Modified Girls		9		
Volleyball, Varsity	9	13	11	10
Volleyball, JV	10	9	9	13
Volleyball, Modified		11	11	18
Cheerleading, Varsity-Fall	13	8		13
Cheerleading- JV-Fall				9
Cheerleading, Modified-Fall		17		

\*Students sent to South Seneca to play

<b>Table 8.2</b>				
<b>Interscholastic Athletic Participation Rates-Winter-2010-11</b>				
Winter Sport	Romulus	Seneca Falls	South Seneca	Waterloo
Bowling, Varsity Boys		9	6	
Bowling-Varsity Girls		8	6	
Bowling-Co-Ed	17			17
Basketball, Varsity Boys	8	13	13	12
Basketball, JV Boys	8	14	8	11
Basketball, Modified Boys	16	15	17	12, 12
Basketball, Varsity Girls	12	10	11	14
Basketball, JV Girls	8	12	7	10
Basketball, Modified Girls	11	15	22	13, 13
Wrestling, Varsity		14	19	16
Wrestling, JV		2		
Wrestling, Modified		6	4	8
Cheerleading, Varsity-Winter		12		10
Cheerleading, JV Winter		15		12
Track-Winter	19**			

\*\*Includes 5 players from South Seneca

<b>Table 8.3</b>				
<b>Interscholastic Athletic Participation Rates-Spring-2010-11</b>				
<b>Spring Sport</b>	<b>Romulus</b>	<b>Seneca Falls</b>	<b>South Seneca</b>	<b>Waterloo</b>
Baseball, Varsity		13	12	12
Baseball, JV	13	14		13
Baseball, Modified		13		15
Softball, Varsity	13	11	15	11
Softball, JV	10	13	14	14
Softball, Modified		14	22	13
Lacrosse, Varsity Boys		23		18
Lacrosse, JV Boys		12		19
Lacrosse, Modified Boys		24		28
Lacrosse, Varsity Girls		16		19
Lacrosse, JV Girls		18		20
Lacrosse, Modified Girls				23
Tennis, Varsity Boys		8		10
Tennis, JV Boys		8		
Tennis, Modified Boys		8		
Track, Varsity Boys		12	24	16
Track, Varsity Girls		14	23	17
Track-Spring	20			

## Chapter 9

## Staffing

We begin our review of staffing and related financial implications of merger by presenting the administrative organizational structure of the four study districts. The following table summarizes the central office administrative positions in each district.

<b>Table 9.1 Central Office Administration</b>				
Position	Romulus	Seneca Falls	South Seneca	Waterloo
Superintendent	X	X	X	X
Business Admin.	X (BOCES .4 FTE shared with SF)	X (BOCES .6 FTE shared with Romulus)	X	X
Assistant Supt. for Curriculum & Instruction				X
Dir. of HPE		X		X (includes AD role)
Dir. of Technology	X (BOCES .4 shared with SF)	X (BOCES .6 shared with Romulus)	X (BOCES)	
Dir. of Pupil Services/Special Education and/or CSA Chairperson	X (BOCES .4 shared with SF; Dir. of Sp Ed in SF)	X (BOCES .6 shared with Romulus; Dir. of Pupil Services in Romulus)	X	X
Athletic Director	X (.2 FTE TSA)	X (also assistant principal)	X (half time, also teaches)	
Director of Facilities				X
Director of Building & Grounds	X	X	X	
Treasurer	X (CBO)	X	X	X
Supervisor of Transportation	X (.4 FTE shared with SF)	X (.6 FTE shared with Romulus)	X (half time)	X
Cafeteria Manager/Director of Food Service	X (BOCES .4 FTE shared with SF)	X (BOCES .6 FTE shared with Romulus)	X (BOCES & half time)	X

Each district has a superintendent of schools. In a merged district scenario, only one superintendent would be necessary for any of the eight possible district configurations. All four districts also have either a business manager (Seneca Falls and Romulus share one through BOCES) and regardless of configurations only one would be needed. Considering the eight possible merger configurations, it is possible to reduce central office staff under any of the configurations being considered.

We now look at the compensation of teachers for the four districts. Table 9.2 which follows is a comparison of the teacher salary schedules.

<b>Table 9.2 Comparison of Teacher Salary Schedules-2010-11</b>				
Column and Step	Romulus	Seneca Falls	South Seneca	Waterloo
B-Step 1	40,048	37,625	38,575	39,250
B-Step 5	41,184	42,065	42,600	43,250
B-Step 10	45,464	47,615	48,250	48,250
B-Step 15	51,386	53,185	50,950	53,520
B-Step 20	58,390	58,785	55,400	58,250
B-Top Step	78,623 (38)	62,145 (23)	57,950 (22)	78,000 (30)
M-Step 1	40,048	40,315	39,815	42,750
M-Step 5	41,184	44,755	43,840	46,750
M-Step 10	45,464	50,305	49,490	51,750
M-Step 15	51,386	55,875	52,190	56,750
M-Step 20	58,390	61,475	56,640	61,750
M-Top Step	78,623 (38)	64,835 (23)	59,190 (22)	81,500 (30)
M+30-Step 1	40,048	42,440	45,040	45,750
M+30-Step 5	41,184	46,880	49,065	49,750
M+30-Step 10	45,464	52,430	54,715	54,750
M+30-Step 15	51,386	58,000	57,415	59,750
M+30-Step 20	58,390	63,600	61,865	64,750
M+30-Top Step	78,623 (38)	66,960(23)	64,415 (22)	84,500 (30)

( ) = the number of years to get to the top step

An examination of these schedules reveals some interesting factors. Romulus does not compensate its teachers for graduate hours or Masters Degrees that are acquired while employed by the district. The district reimburses teachers for tuition, books, and fees for graduate courses that are taken. As a result of this compensation policy, the Romulus schedule compares very favorably at the Bachelors level but falls behind at the Masters level and falls even further behind at the Masters + 30 hours column. Seneca Falls compensates teachers for graduate hours, in-service hours, and Masters Degrees via an annual stipend that becomes part of the teachers' salaries but which do not increase by the annual percentage increases that affect their base salary. Other than Romulus and Seneca Falls, however, the other two districts' schedules are remarkably similar except at the top step. Here we find significant differences in salaries that teachers receive as well as the number of years that it takes teachers to get to these top steps. In addition, it must be remembered that all of the districts have teachers who are compensated above the top step of the salary schedule.

There is no state statute or regulation that determines the level at which the successor teacher agreement in any merger must be negotiated with respect to salary. Labor and management are free to negotiate a salary schedule that is similar to, higher than, or lower than the existing salary schedules. However, in districts that have merged in New York State, there has traditionally been a "leveling up" process that takes place with regard to salary and benefits. That is, teachers in the lower paying of the

merged districts have their salaries “leveled up” to the higher district salary schedule. In some cases this happens in the first year of the new contract. In other cases, this salary and benefit “leveling up” happens over a period of years.

Beyond the cursory analysis of the teacher salary schedules provided in Table 9.2, further analysis was performed in order to determine an approximate cost of leveling up teacher salaries for various merger options being considered. In a full merger study, this analysis is accomplished by determining the higher paying salary schedule, placing the teachers from the lower paying district on that higher salary schedule, and then determining the increased cost. This level of analysis is not possible in a feasibility study where eight different merger options are being considered.

In this study, Table 9.3 which follows provides basic teacher salary information for the four study districts.

<b>Table 9.3 Teacher Salary Information for 2010-11</b>				
	Romulus	Seneca Falls	South Seneca	Waterloo
Number of FTE Teachers	53.2	121	86.27	160
Payroll	\$2,864,176	\$6,674,558	\$5,062,698	\$8,209,808
Mean Salary	\$50,494	\$55,162	\$58,684	\$51,311
Median Salary	\$49,802	\$53,185	\$55,700	\$48,750

In determining the approximate cost of leveling up teacher salaries, we have chosen to do this analysis only for the possible merger combinations that, financially, have the most potential for success. In Chapter 6, we examined the percentage of operating aid that would have to be used to reduce the tax rate of the higher taxing district to the tax rate of the lower taxing district. We offered that the ideal percentage for this analysis is approximately 33%. Five of the eight options studied exceed this figure by dramatic amounts meaning that a successful merger with these potential combinations would be highly unlikely. Only three possible combinations approach the 33% figure and are listed below:

*Romulus/Waterloo-29.3%*

*Seneca Falls/Waterloo-48.9%*

*Romulus/South Seneca-63.2%*

This analysis means that, from the perspective of incentive operating aid, a Romulus-Waterloo is the most likely merger, a Seneca Falls-Waterloo is the next most likely merger, and a Romulus-South Seneca is the

third most likely merger. These are the three possible merger combinations that we have chosen to use for determining the approximate costs of leveling up teacher salaries and related benefits.

We have chosen to compare teacher salary schedules as the methodology for calculating leveling up costs. While this is not an exact method of calculating the costs of leveling up, it is reasonable to assume that a district with a higher salary schedule would have a higher teacher payroll than a district with a lower salary schedule. In making this calculation, we assume that there is an equal distribution of staff across all teacher salary schedules. We also assume that staff gets to the top of the salary schedule at each column in an equal number of years.

Using the three most probable merger combinations, Table 9.4 that follows shows the relationship between the teacher salary schedules.

<b>Table 9.4 Comparison of Teacher Salary Schedules/Leveling Up Costs-2010-11</b>				
<b>A</b> Merger Combination	<b>B</b> Higher Salary Schedule	<b>C</b> % Higher Salary Schedule	<b>D</b> Lower District Payroll	<b>E</b> Cost to Level Up Salaries (C x D)
Romulus-Waterloo	Waterloo	8.68%	\$2,686,288	\$233,170
Seneca Falls-Waterloo	Waterloo	6.90%	\$6,674,558	\$460,544
Romulus-South Seneca	South Seneca	0.76%	\$2,686,288	\$20,416

In addition to the salary impact, we have estimated the increase in fringe benefit costs due to leveling up to be approximately 21%, using 11% for retirement, 8% for social security, and 2% for workers compensation. The total estimated costs for leveling up salaries and the related fringe benefit costs for each of the districts is shown in Table 9.5 that follows.

<b>Table 9.5 Cost of Leveling Up Teacher Salaries and Related Benefits-2010-11</b>		
Merger Combination	Cost to Level Up Salaries	Cost to Level Up Salaries and Related Benefits
Romulus-Waterloo	\$233,170	\$282,136
Seneca Falls-Waterloo	\$460,544	\$557,258
Romulus-South Seneca	\$20,416	\$24,703



## Chapter 10 Facilities

In Chapter 6-Finances, the financing of school facilities was examined. In this chapter, we look at the structure of existing facilities. Facilities are an important aspect of school operations. They are costly to construct and require constant maintenance. However, they provide the environment in which students can be successful from both an academic and extracurricular standpoint. They also represent major structures in all four of these communities and are, justifiably, a source of community pride. Table 10.1 which follows describes the current school facilities for the four study districts.

<b>Table 10.1 School District Facilities</b>			
District	Building/Address	Grade Levels	Number of Students
Romulus	Romulus Central School Route 96 Romulus, NY 14541	K-12	432
Seneca Falls	Mynderse Academy 105 Troy Street Seneca Falls, NY 13148	9-12	460
	Seneca Fall Middle School 95 Troy Street Seneca Falls, NY 13148	6-8	350
	Elizabeth Cady Stanton School 38 Garden Street Seneca Falls, NY 13148	3-5	300
	Frank Knight Elementary School 98 Clinton Street Seneca Falls, NY 13148	K-2	300
South Seneca	South Seneca Elementary School 8326 Main Street Interlaken, NY 14847	K-5	309
	South Seneca Middle/High School 7263 Main Street Ovid, NY 14521	6-8	483
<b>Table 10.1 Continued School District Facilities</b>			
District	Building/Address	Grade Levels	Number of Students
Waterloo	Waterloo High School	9-12	

	96 Stark Street Waterloo, NY 13165		575
	Waterloo Middle School 65 Center Street Waterloo, NY 13165	6-8	428
	Lafayette Intermediate School 71 Inslee Street Waterloo, NY 13165	3-5	322
	Main Street Elementary School 202 West Main Street Waterloo, NY 13165	K-5	116
	Skoι-Yase Primary School 65 Fayette Street Waterloo, NY 13165	K-2	308

The four school districts in this study have all provided excellent facilities for their students. All of the districts have made capital improvements to ensure that their school buildings are appropriate to provide the types of student programming that are desired. And while school facilities always require ongoing upkeep, the districts have done an outstanding job of maintaining their facilities.

While the initial construction of school facilities is expensive, all four districts receive considerable funding assistance from the state in order to construct these buildings. The extent to which the state shares in the cost of capital construction with each of the districts can be shown by the following building aid ratios:

- Romulus-77.4%
- Seneca Falls-90.3%
- South Seneca-98%
- Waterloo-97.5%

The capital expense discussed in this chapter is another area where the state pays significant financial incentives for school districts that merge. If two districts merge, for ten years the state provides incentives related to approved capital construction and existing building debt. For any approved capital construction in a merged district, the state adds 30% to the higher district's building aid ratio up to a maximum of 95% or 98% for high needs districts. This means that any new construction in a merged district would be aided at the 95%/98% level, regardless of the combination of districts involved in the merger.

Financial incentives for existing building debt are also available from the state. When districts merge, each individual district's capital debt is brought forward and becomes an obligation of the merged district. However, with a merger, this existing capital debt is aided by the state at the higher of the two previous districts' building aid ratio. For example, if Romulus merged with South Seneca, the capital debt from Romulus that is currently being aided at 77.4% would be aided at South Seneca's higher ratio of 98%. Similarly, if Seneca Falls merged with Waterloo, the capital debt from Seneca Falls that is currently aided at 90.3% would be aided at Waterloo's higher ratio of 97.5%.

## **Chapter 11**

### **Transportation**

When school districts entertain possible consolidation, one significant variable that always comes up in discussion is the amount of time students (particularly young children) will have to ride the school bus each day to get to and from school. Therefore it is important to study the distances between schools in the four districts being studied here. This analysis will not however tell us how long children will have to ride a school bus since many things influence this in addition to distance between buildings. Factors such as

routing patterns, number of school buses, locations of school buildings, etc. all impact the amount of time students spend riding the bus. At least however, this look at distances between buildings can provide some basic information on distances and therefore give a sense of additional riding times. Table 11.1 summarizes the distances among all the middle and high school buildings in the four districts and non-stop driving time estimates. We are assuming in any merger scenario the elementary children will remain in their existing schools.

The greatest distance between any existing schools is Waterloo High School to South Seneca High School (18.5 miles); however, these two districts are not contiguous. Romulus High School is closest to South Seneca (5.5 miles) while Seneca Falls High School is closest to Waterloo High School (5.7 miles). In summary, geographically the middle and high schools in Seneca Falls and Waterloo are the closest in proximity while those in Romulus and South Seneca are most near each other. While all of the distances between buildings have been determined, N/C denotes those districts that are not contiguous. These observations are consistent with the general finding that, in merged school districts, some students will have longer bus rides than they did in their previous district.

**Table 11.1  
Distance Chart Between Schools**

	<b>Romulus</b>	<b>Seneca Falls High School</b>	<b>Seneca Falls Middle School</b>	<b>South Seneca</b>	<b>Waterloo High School</b>	<b>Waterloo Middle School</b>
<b>Romulus</b>		13.3 miles 20 minutes	13.2 miles 20 minutes	5.5 miles 8 minutes	13 miles 20 minutes	12 miles 19 minutes
<b>Seneca Falls High School</b>	13.3 miles 20 minutes		.1 mile 1 minute	17.8 miles 25 minutes N/C	5.7 miles 12 minutes	5.5 miles 11 minutes
<b>Seneca Falls Middle School</b>	13.2 miles 20 minutes	.1 mile 1 minute		17.6 miles 24 minutes N/C	5.3 miles 12 minutes	5.1 miles 11 minutes
<b>South Seneca</b>	5.5 miles 8 minutes	17.8 miles 25 minutes N/C	17.6 miles 24 minutes N/C		18.5 miles 27 minutes N/C	17.5 miles 26 minutes N/C
<b>Waterloo High School</b>	13 miles 20 minutes	5.7 miles 12 minutes	5.3 miles 12 minutes	18.5 miles 27 minutes N/C		.6 mile 2 minutes
<b>Waterloo Middle School</b>	12 miles 19 minutes	5.5 miles 11 minutes	5.1 miles 11 minutes	17.5 miles 26 minutes N/C	.6 mile 2 minutes	

## **Chapter 12**

### **Community Compatibility**

Neighboring school districts can many times be quite compatible and at other times less so. In instances where school districts that have successfully merged, to some degree the success was due to this compatibility factor. Unfortunately however, the “compatibility” of two communities is difficult to measure. In an attempt to judge this, some indicators were examined including the existence of area youth athletic leagues or scouting activities that include children from all the communities, common shopping areas where adults from all the districts make purchases, churches that serve each of the school attendance areas, etc. Clearly geography impacts this compatibility factor. Interviews with district personnel probed these indicators for all four districts in the combinations being considered.

The students in Seneca Falls and Waterloo school districts have several opportunities to intermingle through youth sports leagues—specifically soccer and lacrosse. There is considerable overlap of the two communities for shopping (i.e., Walmart in Waterloo) and church participation primarily due to proximity of the two villages. Romulus is similar to Seneca Falls except for the lake property located in Romulus. Some Romulus girls play on Seneca Falls school teams. In terms of interscholastic athletics, Waterloo and Seneca Falls are most similar and Romulus and South Seneca are most similar. It should also be noted that students in Seneca Falls, Waterloo and Romulus all attend the same BOCES (Wayne-Finger Lakes BOCES) providing additional opportunities to interact. South Seneca Central School is a component of the Tompkins-Seneca-Tioga BOCES. In conclusion, while all the communities could be compatible, there is greater probability that Waterloo and Seneca Falls would be the most compatible followed by Romulus-Waterloo-Seneca Falls, Romulus and South Seneca, and last by all four districts.

## **Chapter 13**

### **District Merger Success Indicators And Conclusions and Recommendations**

In Chapter 6-Finances and Chapter 9-Staffing, it became clear that there would be only three possible merger combinations that would have any chance of happening. This finding is based on the assumption that no school district community would vote to have its taxes increased as the result of a merger. Therefore, the conclusions and recommendations that follow are based only on the following three merger options:

Romulus/Waterloo

Seneca Falls/Waterloo  
Romulus/South Seneca

Table 13.1 that follows examines the impact of the major financial factors in the three possible merger combinations. In this table, the percentage of incentive operating aid necessary to meet the lower district tax rate is added to the estimated cost for leveling up teacher salaries and related benefits.

<b>Table 13.1 Analysis of Major Financial Factors</b>					
Merger Combinations	Amount of Incentive Operating Aid Received-14 Years	% Of IOA Needed to Meet Lower Tax Rate	Amount of IOA Used to Level Up Teacher Salaries-14 Years	% Of IOA Used for Leveling Up Teacher Salaries-14 years	Total % of IOA and teacher salary leveling up-14 years
Romulus/Waterloo	\$34,060,365	29%	\$3,949,904	11.6	40.6
Seneca Falls/Waterloo	\$43,739,224	49%	\$6,447,616	14.7	63.7
Romulus/South Seneca	\$17,160,264	63%	\$285,824	1.7	64.7

As discussed earlier in this report, the board of education in a newly merged school district bears the heavy responsibility of deciding how to use the influx of incentive operating aid that will flow to the district. A long range financial plan that includes paying for transition costs, funding long-term reserves, and reducing taxes is a prudent way for the new board to structure its thinking. Dividing the incentive operating aid equally has proven to be a successful formula in a number of merged districts.

Often, the most significant amount of incentive operating aid used for transition costs is spent to level up teacher salaries and related benefits. If it is assumed that 1/3 of the merger incentive aid is used for reducing taxes and 1/3 is used for leveling up teacher salaries and related benefits, then 2/3 of this incentive aid would be used for these two purposes. Table 13.1 above shows that all three merger combinations meet the criteria of having less than 2/3 of their incentive operating aid spent on tax reduction and leveling up teacher salaries. It can therefore be reasonably concluded that, from a financial standpoint, any of the three merger options stand a reasonably good chance of being successful. It can also be reasonably concluded that the other five merger options that were identified earlier in this report would stand little chance of being successful.

It is important to note that we have not calculated any potential salary and benefit savings that might be realized if one or more of these merger options were to occur. For example, we have provided no estimate of administrative cost savings (i.e., reducing one or more superintendent positions). A complete merger study would also explore possible salary and benefit savings from staff reductions.

In addition to the tax impact and the cost to level up teacher salaries, the third primary factor in predicting potential merger success is the financial soundness of the districts. Table 13.2 that follows examines this data for the four study districts.

<b>Table 13.2 Fiscal Soundness of Districts-Debt Service, Reserves, and Fund Balance-2010-11</b>
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	Romulus	Seneca Falls	South Seneca	Waterloo
Total Debt Service thru 2024-25	\$10,090,497	\$13,290,668	\$50,153,614	\$70,002,092
Current Building Aid Ratio	77.4%	90.3%	98%	97.5%
Local Share of Debt Service	\$2,280,452	\$1,289,195	\$1,003,072	\$1,750,052
Total Reserves	\$2,503,582	\$4,245,051	\$3,183,538	\$16,311,692
Unappropriated Fund Balance	\$888,901	\$967,835	\$869,217	\$1,634,452

In addition to the three primary factors for predicting potential merger success, we have identified five additional factors that often affect mergers and have identified them as secondary factors in Table 13.3 that follows. The X marks that appear in Table 13.3 highlight those secondary factors that might positively contribute to a successful merger. Because a Seneca Falls/Waterloo merger would result in the most equal enhancement to the instructional program, an X is placed in that box. Because Seneca Falls and Waterloo and Romulus and South Seneca are the closest high schools, X's are placed in those boxes, etc. However, while we believe these are factors that might impact a potential merger, we believe that the three primary factors identified above are so compelling for predicting merger success; it is our opinion that the secondary factors should be given little weight in identifying potential merger candidates. That is not to say that these factors are not important or will not eventually impact an actual merger. However, given the purpose of this study to identify potential merger candidates, we believe the primary factors stand on their own in predicting best potential merger matches.

<b>Table 13.3 Summary Grid-Secondary Factors</b>						
Possible District Combinations	Enrollment Pattern	Unique High School Curricular Offerings	Distance Between Schools	Community Compatibility	Athletic Rivalry	
Romulus/Seneca Falls/South Seneca/Waterloo					X	
Romulus/Seneca Falls/Waterloo					X	
Romulus/Seneca Falls/South Seneca					X	
Romulus/Waterloo/South Seneca					X	
Romulus/ Waterloo					X	
Seneca Falls/Waterloo		X	X	X		
Romulus/ South Seneca			X	X		
Romulus/Seneca Falls				X	X	