

First Report to the Community from the Batavia Consolidation Study Committee - *A Vision for One Batavia*

Executive Summary

Overview

In December 2007, the City and Town of Batavia jointly submitted an application to New York State for a Shared Municipal Services Incentive (SMSI) grant. The funding was requested “to undertake a study of the potential cost savings, increased efficiency and improved services relating to consolidating service delivery and potentially merging the two governmental entities into a single entity.” As stated in the grant application to the state, “Municipal consolidation has been discussed in our area for many years. Due to a number of factors, the timing to consider a change in the structure of local government may never be better.”

The City and Town received the SMSI grant in the spring of 2008, and formed a seven-member [Study Committee](#) to represent a cross section of community, City and Town interests. The [Center for Governmental Research \(CGR\)](#) was engaged as a consultant to assist the Committee with the study. After an initial round of interviews with a cross section of community leaders from the City, Town and County, the Committee made a presentation to a joint meeting of City Council and the Town Board in December 2008. At that time the Committee recommended proceeding with a study that would result in a full consolidation plan for consideration by voters in the City and Town in November 2009. After receiving confirmation that the [elected leaders agreed](#) with this approach, the Committee presented a [process plan](#) in early 2009 that outlined the steps the Committee envisioned to engage the community in a discussion about the pro’s and con’s of creating a single government in place of two separate governments.

This report to the community is the first step in a multi-step civic engagement process that the Committee envisions will lead to voters making an informed decision in the November referendum. In order to be able to build models that can serve as a starting point for discussion options, the Committee had to make certain assumptions (which are noted throughout the report). However, the models are dynamic and can be changed once final recommendations have been identified as a result of the public debate.

Thus, this report is intended to be a summary of what the Committee has learned about what options exist, and what the greater community may wish to consider in deciding if it would be beneficial to consolidate the two governments. Our report takes a large number of complicated variables, all of which need to be considered, and distills them into key topic areas organized in the way that we found most helpful. The most important points about each of these topics are summarized at the end of this report. A number of the topics also have additional background



detail, presented in individual “[white papers](#)” prepared by CGR. These white papers are available as separate documents on the [Batavia Consolidation Plan](#) website.

As the next step in the process, the Committee will hold [community forums](#) to discuss this report and the options for moving forward. After receiving input at the community forums, the Committee will then prepare a draft report describing what the proposed new single government would look like and how to create it. This draft report will be presented by the Committee to the community this summer, and then to the City Council and Town Board for their review and revision. If the City Council and Town Board approve, City and Town voters will have the opportunity to vote on a referendum question this November that would start the City and Town on the path toward creating a single consolidated government. ([See flowchart.](#))

Our Thought Process

From the beginning of this project, the Committee has defined our role as being a facilitator to help the community discuss and determine, in a comprehensive and logical way, whether or not to create a new government structure by consolidating the City and Town.

In a very real sense, this community discussion will be about whether or not we want to recommit to the original vision for the community. A government named Batavia has existed since 1802, when the Town of Batavia was formed within Genesee County and also created by the State Legislature. The Village of Batavia was carved out of the town and incorporated in 1823. The Village was re-incorporated as the City of Batavia in 1915. The basic question is – do we want to recreate a single form of government within the [53.6 land square mile area](#) that is bounded by the existing borders of the Town?

In order to answer that basic question, the Committee has sought to answer four fundamental questions that we have heard in the community. These four questions are:

1. Do we have options?
2. Why change what we have?
3. What would the change mean for me?
4. What would the change mean for our community’s future?

In this report, we present information that provides answers to these questions as we have been able to develop them up to this point in time. From this point forward, feedback from the community becomes essential. In particular, this report presents information that addresses issues about the form of governance; cost, tax and efficiency impacts; and impacts on service.

We sincerely want the community to engage in this process. We fully expect that community members will raise some issues during the public forums that will require further research. We also know that we are living in a dynamic environment, where some factors are likely to change between now and November. Some of these factors may be within the power of the community to control, and some will not. Finally, no one can predict with certainty what will happen in the future. In the discussion that follows, we will note where we have had to make assumptions in order to develop a model for what a consolidated government might look like. Our assumptions



are based upon what currently exists and what is reasonable to assume going forward based upon recent history. We do this while accepting the truism that the past is no guarantee of the future. At the same time, we strongly believe that communities that put effort and focus into shaping their destinies tend to be those with brighter futures. We believe that this effort is an important element in Batavia's ability to shape its destiny.

What Are We Looking For From the Community?

Specific answers to the four questions noted above will depend on what option(s) are ultimately built into the model for the new consolidated government. This is why we have written our first report to the community to provide information about various options for how a new consolidated government might be designed. The Committee offers comments and clarifications where we believe these will be helpful in understanding the benefits or costs of various options. However, the primary reason for this report is to foster community discussion about the options, and for the community to understand and identify preferences for options. The Committee will then use the results of the community discussion to design a model of a single consolidated government that the community can compare with our current two-government model. Ultimately, if the City Council and Town Board approve putting it to referendum, voters will decide whether or not the proposed new model is preferable to maintaining the current City and Town governments.

Response to Four Fundamental Questions

The Committee believes that the four fundamental questions about consolidation can be answered as follows:

Question #1 - Do we have options?

We see two options for our community:

- Option 1: Continue with separate City and Town governments
- Option 2: Consolidate the two governments into one

Certainly, there are no mandates or requirements that the City and Town of Batavia consolidate at this time. Thus, we want to make it absolutely clear that the City and Town can continue to exist as separate and independent governments for the foreseeable future. Thus, Option 1 is a very real and viable option. Batavia residents can leave things as they are – letting the two governments co-exist and continue working cooperatively together, as they have been increasingly doing so, over the past 10 years.

In the recent past, the City and Town of Batavia governments have developed a close working relationship, which has benefited members of both communities. ([See City & Town Agreements.](#)) Large, multi-million inter-municipal cooperation projects include the [joint water supply agreement](#) (with the support and participation of the County government), the joint sewage treatment facility (unique in New York), and various land agreements (e.g., the wastewater treatment plant land acquisition) to support unique development opportunities. In addition, there are many smaller cross-government agreements that improve the efficiency of both governments. Examples include: a joint assessor, an agreement to share on-going operating



and maintenance costs for the remediated landfill site that once served both municipalities, an intermunicipal agreement for an industrial pretreatment program, and an agreement for the Town to provide “as needed” code enforcement support for the City.

Precisely *because* the City and Town have developed a close working relationship, the Committee believes that the community should consider taking the next step to consolidate the two governments into one. This report will provide the reasons we believe there are substantial advantages to consolidating the governments at this time rather than maintaining the status quo.

To conclude, in the big picture, there are two distinct options. One option is to keep the two separate governments, assuming that they will continue to work together, over time, gradually sharing and/or consolidating those operations that can be functionally integrated, while keeping separate functions as decided by the voters in the two governments. The other option is to intentionally consolidate the two governments now. As will be presented in this report, creating a single consolidated government will not require complete consolidation of all functions currently provided separately by the City and Town. For example, police and fire functions can continue to be provided as they are now, and currently independent entities such as the volunteer fire departments can remain completely independent. Existing [City debt](#) would remain completely separate, to be levied only against existing city properties until it is fully paid off. Thus, even if the City and Town governments are consolidated, there are also options about how to provide the services currently being received in the two communities. These functional options will also be outlined in this report.

Question #2 - Why change what we have?

As noted above, the City and Town governments have developed a close working relationship with one another through inter-municipal agreements that have benefitted both communities by sharing costs, staff and operating efficiencies. Since the two governments are working well together, why consider changing what seems to be working well already?

The Committee believes there are three reasons why consolidating governments will be an improvement over what we currently have. Details will be presented in this report, but to summarize, the three reasons are:

1. The total net cost of local government within the community will be reduced by creating a single government, which will result in lower property taxes overall. Costs will be lower because of a combination of operating efficiencies resulting from combining operations, the potential for shifting some costs to the state government, and increases in state revenues and non-property tax revenues. Based upon the assumptions noted in the sections that follow, we estimate that the combination of operating efficiencies, avoided costs and additional revenues would result in a net savings to the consolidated government of approximately \$1 million. Every property tax payer, whether currently in the City or the Town, will benefit as a result.
2. Delivery of many services can be enhanced as the need for professional services (for example: engineering, planning, and management services) increases in the future. Managing the infrastructure system (roads, water, sewer and street lighting) as one



integrated system will provide both staff and cost efficiencies that will benefit the entire community.

3. The process of discussing and creating a new single government will have important spill-over effects on the image of the community, both in the eyes of members of the community as well as in the view of outsiders. This process has already generated positive publicity for Batavia. The Committee has gathered news articles from across the state citing Batavia as the example of a community to be emulated for its efforts to simplify local government. We have already seen evidence that this positive publicity is putting Batavia on the map in ways that could not have been anticipated before we started, and believe this publicity will become an important economic development strategy for attracting businesses seeking a community willing to consolidate local government to make it more effective and efficient.

Perhaps most important, these improvements can be achieved *without* disrupting or changing the current delivery of service being provided to City and Town residents and businesses, and *without* shifting current costs from City to Town taxpayers, or vice versa. Current services and costs can be maintained through the use of a dual zone concept. Three cities in New York - Rome, Oneida and Saratoga Springs - have charters that provide for zones with tiered services and costs. This report provides a model of how a consolidated Batavia could be created using three tiers. Tier 1 services would be all services provided for and paid by the entire community (for example, the cost of the governing body, finance, administrative and central services costs). Tier 2 would provide more intensive services, along with associated costs (initially formed by the boundary of the current City). Tier 3 would provide less intensive services equivalent to those presently provided within the Town.

To conclude, the Committee believes that there are both quantifiable and perceived benefits to consolidating the City and Town governments, and that these benefits can be achieved *without* causing a shift of services or costs between current City and Town taxpayers.

Question #3 - What would the change mean for me?

Based upon the Committee's initial assumptions about how to structure proposed tax zones (*Tiered-Tax Zones* are covered later in this report) and the initial financial modeling using those assumptions, consolidating the City and Town would allow the single government to:

- Hold property taxes at their current levels for both City and Town property owners.
- Provide almost \$1 million annually in net new savings that would benefit the entire community.

Outside of the net positive financial impact on the community, the single biggest difference many citizens are likely to notice would be some type of change in the elected representation for governing the new consolidated government. (Other technical changes would occur, such as moving to a single fiscal year, consolidating fleets and integrating operations, but most of these would have little to no impact on day-to-day citizen interactions with their government.) There are many possible options for designing the new representation, including at-large



representatives, district representatives or a combination of both. The Committee has identified a number of options for discussion by the community. Boards from the two communities would be combined into single boards (e.g., zoning, planning). If the new entity becomes a city, certain specific elected positions would cease to be separately elected (e.g., the town clerk, highway superintendent and justices), however, the associated responsibilities (i.e., managing public records, transportation management and judicial functions) would still be continued within the consolidated entity – although City Court would become a state function. If, however, the new entity becomes a town, there would not necessarily be the same type of change.

Except for the changes in elected representation and volunteer boards noted above, residents in both the City and the Town would see very little change in terms of services or service providers upon creation of the new consolidated entity. For example, there would be no change in any of the public school systems. The volunteer fire departments in the Town would continue unchanged. Fire and police services in the City would continue to be provided as-is by the same employees. Refuse collection would continue in the same way – a single provider in the City and private sector contractors chosen by property owners on an individual basis in the Town. Water and sewer services and costs would remain the same. The only noticeable change at the start of the consolidated entity would be administrative functions, such as tax billing, which would now come from a single consolidated finance department, and possibly an improvement in delivery of road maintenance services such as snowplowing and road repair, where crews will be able to plan their work end-to-end, without skipping over areas currently in only the City or only the Town.

Question #4 - What would the change mean for our future?

The Committee identified a wide range of benefits to the community in addition to direct financial benefits and tax savings. While these benefits are hard to quantify, the Committee believes that they are real, achievable and essential to the future vitality of our community.

Making the effort to create a new, consolidated Batavia is, the Committee believes, a powerful way for the community to make a statement that *we can* do something to improve our future. It sends a positive message to our children and young adults about our community's ability to work together to show we are serious about creating and supporting an efficient local government. There is little to lose other than duplicate government structures that, by operating separately, create inefficiencies in managing regional resources effectively.

This effort will also create positive regional and national public relations for our community. Lowering our cost of local government will be an important economic development tool for attracting businesses. Perhaps just as important will be the message that our economic development team can take to potential investors – that Batavia is a community where residents can work together to make local government as efficient as possible.

To conclude, the Committee believes that the willingness to pursue a more efficient consolidated government has a tremendous symbolic value in telling the rest of the world what we think about ourselves and our future. This is a change – a lasting legacy of improvement – that we can leave for the next generation.



Key Topics - Information and Options

This section provides summary information organized into key topic areas in the way that the Committee found most helpful. Further background information has been developed in many cases, and this information can be found in more detailed “white papers” about specific topic areas. (Click on “Documents” on the [Batavia Consolidation Plan](#) website.) In a number of topic areas, there are options or ways to select variables for building a consolidated government. These options are presented in the summary below. Discussing them in [public forums](#) will help the Committee identify what the greater community believes might be the best options.

Tiered Tax Zones

For modeling purposes, the Committee assumed a three-tier tax structure for the consolidated entity. As part of this structure, different tax rates would apply to properties located in what is currently the City of Batavia from those located in what is currently the Town of Batavia. This concept recognizes that the more densely populated urban portion of a community may have – or have a need for – different types of service from that portion of the community that lies outside the urban center. The tiered tax structure shall ensure that existing City debt will remain a tax only on City properties, so that there will be no shift of the current debt to Town property owners.

Precedent for this concept already exists in New York State. The concept of tax zones or districts was embedded in the original city charters when Rome was incorporated in 1870, Oneida in 1901 and Saratoga Springs in 1915. Today, these cities still have more than one tax zone. (See [Three-Tier Taxation in NYS](#) documents on the website). For example, in Rome only the “corporation tax district” receives and is taxed for city police services. In addition, Rome contracts with an outside contractor for refuse services for residents of this same district, then bills taxpayers for the service on their tax bills. However, residents in Rome’s “outside district” select their own private refuse haulers and pay them directly, and are not charged for refuse service on their tax bills.

The Committee believes this is a model that can be applied to the new consolidated entity of Batavia. The Committee proposes defining the tax zones as follows:

- Tier 1 = the entire community, encompassing the existing City and Town of Batavia
- Tier 2 = the existing City of Batavia
- Tier 3 = the existing Town of Batavia

Under a tiered-tax approach, existing debt within a tier would stay with that tier. Future debt for projects or services affecting only one tier would stay within that tier. Future debt that benefitted the entire community would be borne by the entire community and be allocated as a Tier 1 cost.

Financial Projections

See numerous “[Financial Information](#)” documents on the *Batavia Consolidation Plan* website.



A key question regarding whether or not to pursue consolidation is the financial impact of combining the City and Town governments into one entity. The Committee identified two components to this question

- What would happen to costs and revenues in total
- What would be the impact on local property taxes for City and Town property owners

In response, CGR developed a computer model that can make total cost and revenue and property tax levy projections based upon inputting cost and revenue data on a line-by-line basis, using the current City and Town budgets as the baseline. CGR used the current (2009) budgets for the City and Town as the baseline for comparing options for the future. CGR projections were made only for General Fund budgets (General Fund for the City, combination of the General and Highway Funds in the Town), since the Committee assumes that current special district costs would remain as ongoing separate district costs within the appropriate tiers. The 2009 baseline numbers are shown in Table 1.

TABLE 1					
Baseline Current Budget¹					
Based on 2009/10 City Budget and 2009 Town Budget					
	Expenditures		Revenues		Property Tax Levy²
City	\$	14,859,950	\$	14,859,950	\$ 5,082,967
Town	\$	3,871,490	\$	3,871,490	\$ (250,000)

1. General Fund only in the City, General and Highway Funds in the Town

2. Town is negative because it has no property tax and contributes \$250,000 to offset County property taxes

Given these baseline budget numbers, financial projections were made with a step-by-step approach and using the key assumptions outlined below. Note that these projections are annual and ongoing. (The Committee felt it most appropriate to focus on annual budget changes rather than one-time savings.)

1. From the Baseline budget, certain expenses would be reduced because creating a consolidated entity would eliminate some double counting as a result of creating a single entity (\$500,000 reduction – this reduction consists of \$50,000 that the City pays to the Town for the landfill agreement, and \$450,000 transfer from Town General Fund to Town Highway Fund).
2. Expense reductions as a result of efficiencies from combining the two governments into a single entity were assumed (\$212,000 initial estimate – consisting of elected officials \$8,000, town court costs \$104,000, town supervisor expense \$30,000, insurance cost efficiencies \$20,000, legal fee efficiencies \$50,000) along with future City revenue



anticipation note financing reduction (\$33,000) and a shift of the Town contribution to County property taxes (\$250,000). [Note: These are added in later as a Tier 3 revenue.] These expense reductions are intentionally conservative and only intended to reflect immediate savings that assume no full-time jobs are eliminated initially. More significant longer term savings will be achieved through staffing efficiencies that can be planned to coincide with normal staff attrition and retirements.

3. Revenue changes due to the consolidation were identified. Additional revenues would be \$790,000 in state consolidation incentive funding and \$50,000 in Gross Utilities Receipts taxes, with projected lost revenues of \$20,000 from court fees. (The gross utilities receipts tax would only be available if the new entity became a city, the loss of court revenues is estimated to occur if the Town court became a city court.) Net estimated revenue impact would be an additional \$820,000.
4. Costs and revenues were attributed to the single consolidated entity and designated as either Tier 1 (the consolidated entity), Tier 2 (the existing City) or Tier 3 (the existing Town) costs and revenues. Costs and revenues assigned to Tier 1 were then assigned to Tier 2 or Tier 3 for tax calculation purposes, proportionally based upon the 2008 ratio of taxable assessed value (TAV) in the City and Town. (City TAV = 62.5%, Town TAV=37.5% of total TAV of a combined entity.)
5. The model was then run to calculate the impact of cost and revenue shifts to Tier 2 (the current City) and Tier 3 (the current Town). The results show that the combined entity would have measurable overall lower costs (taking into account both expense and revenue assumptions noted above) of \$1,315,000 per year. However, the initial allocation of these savings was calculated to be: Tier 2 (- \$1,008,000); Tier 3 (+\$2,323,000). Tier 3 would see a net benefit of approximately \$2.3 million dollars because, under the assumptions noted above, while costs that were previously only City costs would be distributed to the Town (under the taxable assessed valuation formula noted above), revenues that were previously only available to the City would also be shared according to the same formula. The model shows that, on net, the Town would benefit significantly more by having access to shared City revenues than it would lose by sharing City costs.
6. Adjusting the results noted in Step 5 so that both current City and Town taxpayers stay at least at their baseline condition, Tier 2 and Tier 3 cost changes would net to zero. The result is that \$1,315,000 would be available to distribute across Tier 1. However, two adjustments would need to be made to that total to assure there is no net shift of costs or taxes between Tier 2 and Tier 3. First, \$50,000 of revenues would be assigned to Tier 3 to offset the collection of the new Gross Utilities Receipts tax (\$50,000), assuming this tax was imposed as a Tier 1 tax in the new entity. Second, \$250,000 of revenues would be allocated to Tier 3 to offset the loss of the prior Town contribution to the County property tax. This would leave a net of \$1,015,000 in benefits for Tier 1. Finally, the Committee estimated the adjustment needed to normalize employee compensation would be approximately \$72,000 (see *Personnel* below) if the City and Town governments consolidate per established practice. After making these adjustments, an estimated



\$943,000 in net annual savings would be realized as a result of consolidating the City and Town governments.

7. The savings could be used in any number of ways to benefit a new Batavia. Some suggestions have been to use it to: offset County property taxes for every property tax payer in the new entity; build a fund balance, or fund established capital planning needs.

In developing these financial projections, the Committee made three important assumptions.

First, the Committee assumed that current existing debt would remain as debt within the corresponding Tiers (i.e., current City debt would remain as a Tier 2 expense). In the future, the Committee assumes that debt incurred on behalf of the entire community would become a Tier 1 cost. Debt incurred for specific functions within each Tier would be assigned to that Tier (for example, if debt was needed for a Police station upgrade, the cost of that debt would be assigned to Tier 2 (existing City). Water and sewer and special district debts would continue to be paid by properties within those special districts. Therefore, current debt on the books at the time of consolidation would remain within those entities where that debt was incurred. Only future debt that benefits the entire community would be distributed across all taxpayers as a Tier 1 cost.

Second, the Committee assumed that the current [sales tax agreement](#) (as approved by the NYS Comptroller) between the County, the City and the towns will remain unchanged until it expires in 2018. We assume that the amount of sales tax currently allocated to the Town of Batavia through the assessment apportionment will continue, with the current town's share being based on the assessed value of the area that was incorporated in the former town, if the two governments consolidate.

Third, the Committee assumed that any fund balances in the City and Town would remain as fund balances within the corresponding Tiers (i.e., the current Town fund balance would remain as a Tier 3 fund balance), to be used as the new governing board decides for use within each tier. Future fund balances that accrue for the consolidated government would be treated as Tier 1 fund balances. Water, sewer and special district fund balances would continue to be assigned to those districts.

Governance

The Committee wants to assess the public's perception of the benefits of the new consolidated entity being either a city or a town, and which form would be more beneficial for the consolidated entity. In order to be able to consider this issue carefully, we provide a background document [Considerations for a Consolidated Batavia – Town or City?](#) which summarizes extensive research on this subject.

In addition, the Committee seeks community input on the size and structure of the governing body, including the number of elected representatives and the extent to which elected officials would be at-large versus district representatives. If the new entity is a town, it would be a First Class Town with a four- or six-person board, plus a Supervisor. There could be wards or at-large board members (but not both), and a town manager. If the consolidated entity is a city there are multiple options that can be considered. A separate document entitled [Some Governance Options that Could Be Considered by the Community](#) describes some governance structures that communities comparable to a consolidated Batavia now have.

Note: The Committee also prepared another document, [Comparison of City & Town Codes](#) as part of its governance overview documents.

Police and Fire Services

Under a consolidated model, the Committee would leave public safety services structured as they currently exist.

What are now City of Batavia police services would become Tier 2 police services provided only to residents living within the boundaries of the existing City. The costs, revenues and debts associated with these police services would be assigned only to Tier 2 taxpayers. Law enforcement services in what is now the Town of Batavia would continue to be provided by the Genesee County Sheriff and NY State Police. There is precedent in the state for this type of law enforcement model to exist within a city. The City of Rome has a multi-tier taxing structure where only one tier (the urban “corporation tax district”) receives police services, and costs and debts for the service are assigned only to this district.

In terms of fire services, the Committee would make no immediate changes in how fire services are delivered. Currently, the City runs its own fire department and residents of the Town are served by two volunteer departments – the Town of Batavia Fire Department and the East Pembroke Fire Department ([see map](#)). There would be no immediate cost impact on the new consolidated entity as the three fire service providers would continue status quo until a longer term shared services plan is developed. Thus, what are now City of Batavia Fire Department services would become Tier 2 fire services, and all costs, revenues and debts would be assigned only to Tier 2 taxpayers.

Again, in the state there is some precedent for a volunteer fire department to provide service in a portion of a city. The precedent identified by CGR is in the City of Rome although the Rome model is slightly different. In Rome the city’s fire department serves the entire community, but in addition, Rome has agreements with two volunteer fire departments serving outlying areas of that city because the volunteer departments can typically respond to certain areas faster.

DPW - Highway, Water and Sewer Services

Except in cases where specific services (e.g., solid waste pickup and recycling) are not provided community-wide as part of municipal services, the model assumes a merged City Department of Public Works and Town Highway Department. Water and sewer services would be provided as they are today, except that the existing City would constitute a single water district and a single sewer district. The water districts in the Town ([see map](#)) and the sewer districts in the Town ([see map](#)) would be unchanged as a result of consolidating into a single entity.

Key efficiencies can come about as a result of merging DPW and Highway services, leading over time to more cost-effective service. For example, the community is made up of about 54 land square miles, but currently two different governments are focused on plowing roads, paving streets, fixing potholes, trimming trees, parks maintenance, fleet maintenance, etc. within this total area. By merging operations, services could be managed and planned on a community-wide basis. That would result in having, for example, snowplowing on Routes 5 and 20 handled consistently across the entire community, without need for drivers to lift snowplow blades when they cross the edge of the Town to get to a section of the City or vice versa. Not just in big ticket



items, such as snowplowing, but also in many other small ways there would be opportunities to streamline operations.

As one small example, currently there is a legal agreement between the two governments for the traffic control signals at the intersection of the entrance to the Towne Center and Veterans Memorial Drive. Although the Town owns this particular device it does not have the equipment or expertise to maintain it. The City, which routinely performs such work on traffic signals throughout the City, maintains and repairs the Town's device, then bills the Town for any labor and materials involved. All of this process and paperwork would be avoided if the governments were consolidated.

For a DPW-related service that involves only the existing City, all associated costs assigned to those services would be paid for as a Tier 2 tax. For example, the boundaries of the existing City would be used to establish where Tier 2 refuse services are provided, and the homeowners, commercial establishments and others receiving the service would continue to pay for the service as part of the Tier 2 tax. The practical result is that there would be no change in how this service is provided and paid for compared with today. Residents, commercial establishments, and others currently in the Town (the future Tier 3) would continue to contract independently for refuse services and pay vendors directly for the service. There is clearly precedent in the state for this approach in a city. For example, the City of Rome has a refuse district that includes only the urban heart of Rome (known as the corporation tax district).

Schools

Parts of six school districts are located within the area that is currently encompassed by the City and Town ([see map](#)). Where students attend schools and districts' boundary lines will not be impacted by a City/Town consolidation. There will be no impact on the boards of education that govern the various districts or any impact on the revenue sources for the school districts.

If a new consolidated entity becomes a town, however, it would create a curious situation. There is no process in New York State law that would convert the Batavia Central School District (CSD) into something other than a city school district. The issue has never come up before and the state's laws do not address it. The district would likely be an anomaly – the only city school district in New York located in a town.

If the new consolidated entity becomes a city, the Batavia CSD would see no significant change. The five other districts that are partially located in the Town would become subject to the small city constitutional [debt limit](#) of 5% rather than the statutory cap of 10% that currently applies to these districts. However, provisions exist in State law to exceed the debt limit by getting approval from the State Education Department and Office of the State Comptroller. In a typical month, two to three districts across the State seek such approvals due to planned capital projects. None of the five districts need do anything unless or until they plan a capital project that would push their district beyond the constitutional debt limit. In such cases, the districts would follow the well established process other districts in New York now follow to exceed their debt limits.

Note: For additional information, see [Impact of Consolidation on Batavia School Districts](#).

Personnel

Wherever government merger is proposed, a key consideration is combining separate work forces into one. In our community, there are government positions where the functions and responsibilities are unique to the City. For example, there is no Town equivalent to a City police officer position. In other cases, there are positions where employee responsibilities are identical, or at least very similar, between the City and the Town. Based on an analysis of existing City and Town workforces, the Committee estimates that combining the separate workforces into one will increase annual costs by an estimated \$72,000. Longer term, the consolidated government should achieve savings through staffing efficiencies that can be planned to coincide with normal staff attrition and retirements. (The Committee estimates that approximately 15 employees are currently retirement eligible, not including City police and fire personnel.)

Facilities & Equipment

The facilities and assets, including [land, buildings](#) and equipment now owned separately by the City and Town would become jointly owned under a new single government structure, except for the facilities (or portions of facilities) that are related to either Tier 2 or Tier 3 designated services (e.g., water, sewer, fire, police, refuse). These would be tier-specific facilities, and any associated expenses, revenues or debts would be assigned to them.

[Vehicles](#) and other equipment now owned by the City or Town would be owned by the new single entity and maintained as Tier 1 (consolidated entity) equipment, with the following two exceptions:

- All vehicles and equipment currently used in meeting public safety needs in the City (e.g., fire protection, police service) would be considered Tier 2 equipment and would be used to provide service to individuals residing within the current boundaries of the City.
- Any equipment that is currently used to provide other types of services and paid for by current districts (e.g., water, sewer), whether in the existing Town or City, would remain as equipment belonging to specific districts and become part of costs of the associated Tier.

In both cases, any expenses or debt for vehicles or equipment would be associated with the appropriate tier to which those costs are assigned. Debt obligations that exist up to the point in time that the entities are consolidated would continue to be paid for by property owners in the area (City or Town) where those debts were incurred.

If a consolidated entity is created, the Committee assumes that all City and Town-owned facilities will be in use by the single government and that all vehicles or other equipment will be used to maintain current service levels. For example, if the new entity becomes a city the Town DPW office could exist as a satellite DPW or highway office. The Town Hall could also continue to serve as an administrative facility. Plowing equipment could be out on roads throughout the consolidated entity.

At some point in the future, the new single government could determine, based on experience with the new government model, that property may no longer be needed. Such property could be sold, likely putting it back on the tax rolls. The new government could also decide to sell excess vehicles or equipment, in order to eliminate overlap and duplication and maximize efficiency.

It should be noted that two properties on Lewiston Road and Clinton Street that are owned and maintained by the Town of Batavia Volunteer Fire Department would not come under the jurisdiction of the single government. The volunteer department would continue to own both properties and would also still own and maintain all of its own equipment. The East Pembroke fire station and equipment would also remain under the ownership of that fire district.

