Impact on School Districts If the City and Town of Batavia Become One Entity¹

Key Points

Where students attend schools and the boundary lines for their school districts will not be impacted by the potential consolidation of the City and Town of Batavia. 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 the consolidated entity becomes a town, it would create an unusual scenario. There is no process in state law that would convert the Batavia Central School District (CSD) into something other than a city school district. The district would likely be an anomaly – the only city school district in New York located in a town. If the consolidated entity becomes a city, the Batavia CSD would see no significant change. The five other districts 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. There is a process for obtaining approval from the NYS Education Department Board of Regents and the Office of the State Comptroller to exceed the limit.

These key points are based on the information below.

Introduction

Parts of six school districts are located within the area that is currently encompassed by the City and Town of Batavia (see map). The largest is the Batavia School District, which operates all of the schools within the area and enrolls the majority of students from the area. The Batavia CSD is an "enlarged" school district because it contains not only the City but also portions outside the City (including large portions of the Town and a small section of the Town of Stafford). The total enrollments for the Batavia CSD and the five other school districts are shown below.

School District	Total Students
Batavia City School District	2,375
Pembroke Central School District	1,274
Byron-Bergen Central School District	1,193
Oakfield-Alabama Central School District	1,028
Alexander Central School District	981
Elba Central School District	543

Source: U.S. Department of Education, National Center for Education Statistics, public school district data for the 2006-2007 school year.

¹ Supporting information with White Paper: 1) map of school districts located in City/Town, 2) debt limit restrictions by type of school district

What Questions Were Raised by the Study Committee?

In considering potential consolidation of the City and Town, the Study Committee raised the following questions related to schools:

- Will there be an impact on the Batavia CSD and if so, will it make a difference if the consolidated entity is a city or a town?
- Will there be an impact on the five other districts that are partially located within the Town and if so does it make a difference if the single entity is a city or a town?

Our Approach

The Study Committee assumed no change in boundaries for the six school districts. We then consulted with the State Education Department Counsel's Office, examined how school districts are configured in NY cities that come closest to being similar in governmental structure to what is likely to occur under a consolidated entity (e.g., Rome, Oneida); and talked to school officials in the largest and smallest school districts (Batavia CSD and Elba CSD) and to a State Education Management Services official about issues that had been raised in the course of our research.

Impact on the Batavia School District

If the consolidated entity is a city, there would be no impact of any significance on the Batavia CSD. Under New York State Education Law when a new city is created, the school district that is not coterminous with that city but contains all or a portion of the city within and a majority of the population of children, becomes by definition a city school district. The Batavia CSD already fits this description.

If the consolidated entity is a town, it would create an unusual scenario. There is no process in state law that would convert the Batavia 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 in the state – a city school district in a town.

In addition, having a city school district but no city that it relates to could, theoretically, cause problems regarding tax collection. Cities ultimately end up dealing with uncollected taxes for their school districts and bear the cost of the portion that can't be collected. Should Batavia become a town, the school district would bear the cost if a portion was uncollectable. Currently, the Batavia CSD deals with both scenarios – since a portion of delinquent taxes are ultimately collected by the City of Batavia (from residents who are City taxpayers) and a portion by the County (for residents who are Town of Stafford and Town of Batavia taxpayers). According to the Batavia CSD business administrator, there have been relatively few circumstances in either scenario when the school district has not been "made whole" by the end of the collection period.

If the community opts to have a new consolidated entity that is a town, the Study Committee recommends that legal counsel for the Batavia CSD review NYS Real Property Tax Law section 1332(5) to assess whether any special procedures for collection of taxes in a city school district do not work if the city is abolished. District legal counsel should also review Education Law sections 2606-2613 to ensure that school board election law, which is made applicable by

Education Law section 2609(1), includes any provision that requires involvement of a city board of election. Based on initial reviews by the State Education Department Counsel's Office, it does not appear these sections present any major problems, and are more likely to result in only technical issues or no issues to resolve.

Impact on the 5 Other School Districts

If the new consolidated entity becomes a town, there would be no impact on the Pembroke, Byron-Bergen, Alexander, Elba, or Oakfield-Alabama school districts.

If the new consolidated entity becomes a city, these five districts would become subject to the small city constitutional debt limit of 5% rather than the statutory cap of 10% that currently applies to them. However, provisions exist in state law to exceed the debt limit by getting approval from the State Education Department Board of Regents and the Office of the State Comptroller. In a typical month, two to three districts across the state seek such approvals due to planned capital projects. If the consolidated entity becomes a city, none of the five districts need do anything unless or until they plan a capital project that would put their district beyond the now applicable 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.

Additional Information: School District Debt Limits