
Final Report

Pre-Merger Feasibility Study for the Elizabethtown-Lewis, Westport, and Willsboro Central School Districts

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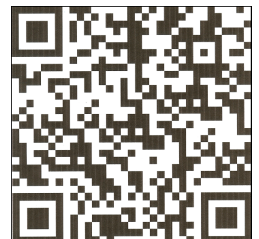




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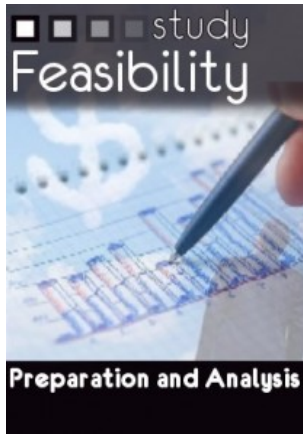
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Chapter 1

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 21st century education at a cost that local



taxpayers can bear. School district merger is one organizational option that is being considered. Elizabethtown-Lewis, Westport and Willsboro have chosen to consider this path. However, unlike many other school districts, these districts first chose to conduct this pre-merger feasibility study to determine if an extensive merger investigation should be undertaken.

This merger feasibility study examined the advantages and disadvantages of the combination of ways these three districts could merge into one. Castallo & Silky, LLC, an education consulting firm from Syracuse, New York, worked with the districts to complete this study. Based on its vast experience with school district reorganization, Castallo & Silky, LLC 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 consultants began by requesting a significant amount of information from all three school districts. Once this information had been secured, conversations 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 pre-merger feasibility study and not a formal merger study. This study was undertaken to determine if it might be advisable for the districts to consider entering into a formal merger study and, if so, what possible combinations of the districts might make the most sense. A formal 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.

All three districts supported this pre-merger study as evidenced by the fact that the boards passed resolutions to engage in such a study. The purpose of this investigation is to determine if it is realistic to move forward with a complete merger study based on some critical information comparing the three districts and if so what combination of the districts might best be considered. The following pages present the information that was examined and will be used by the boards of education to decide whether a formal merger study in the future would be in the best interest of any of these three school districts.

This merger feasibility study examined the possible combinations of the three study districts to help them decide if the districts should move forward to a full merger study process.



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 as we went about our work.



First and foremost, we wish to thank the superintendents of the three study districts: Scott Osborne of Elizabethtown-Lewis, Cynthia Ford-Johnston of Westport, and Stephen Broadwell of Willsboro. These superintendents not only provided 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 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 recognize the boards of education from Elizabethtown-Lewis, Westport, and Willsboro 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 they should be applauded for their efforts.



Chapter 3

Background Information

The Elizabethtown-Lewis, Westport and Willsboro school districts are all located in Essex County north of the Saratoga region of New York State. The districts are rural in nature and all three are components of the Champlain Valley Educational Service Center. These school districts play a very important role in their communities.



The districts are quite similar as shown in the background information in table 3.1 that follows.



Table 3.1 Background on the Districts			
<i>District Characteristic</i>	<i>Elizabethtown-Lewis</i>	<i>Westport</i>	<i>Willsboro</i>
Superintendent	Scott Osborne	Cynthia Ford-Johnston	Steve Broadwell
2015-16 Enrollment	237	216	243
Square Miles in District	174	70	108
BOCES Affiliation	CVES	CVES	CVES
Transportation Aid Ratio	.609	.480	.207
Building Aid Ratio	.693	.653	.520
BOCES Aid Ratio	.412	.394	.360
Combined Wealth Ratio	.903	1.215	1.784
Full-Value Tax Rate-2015-16	\$14.14	\$15.00	\$12.07
Grade Level Configuration	K-12	K-12	K-12
Eligible for Free Lunch*	37%	33%	43%
Eligible for Reduced Price Lunch	13%	9%	5%
White*	96%	95%	98%
Black or African American	2%	-	-
Hispanic or Latino*	-	-	-
Asian/Hawaiian/Other Pacific Islander*	2%	-	-
American Indian or Alaska Native	1%	-	1%
Multi Racial*	-	4%	2%
Annual Attendance Rate*	94%	94%	96%
Student Suspensions*	1%	1%	5%
* Indicates data was drawn from 2014-15 school report card			

Table 3.1 shows that these districts are very similar in a number of ways—student enrollment, full value tax rates, grade configuration, free/reduced lunch eligibility, and racial/ethnic make-up. On the other hand, Willsboro has a higher combined wealth ratio than the other two districts and, as a result, lower aid ratios for transportation, building, and BOCES aid.



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. As can be seen in the map on page 6 with district backgrounds, all three districts border on one another.

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

All three districts merging into one:

A. Elizabethtown-Lewis, Westport, and Willsboro

Three, two district combinations:

B. Elizabethtown-Lewis/Willsboro

C. Elizabethtown-Lewis/Westport

D. Westport/Willsboro

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 four 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 from an objective data perspective.

**There are four possible district combinations—one
three-way and three two-way**



Chapter 5

Student Enrollments



An analysis of student enrollments is important for all 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 these districts be studied to determine if there will be a decline and, if so, to predict the related problems this might precipitate.

Table 5.1
Elizabethtown-Lewis Enrollment History and Projections

Grade	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Birth Data	17	21	12	21	20	16	23	16	19	19	19	19	19
K	17	20	20	16	17	19	17	24	17	20	20	20	20
1	21	18	20	19	16	17	19	17	24	17	20	20	20
2	19	19	19	16	17	18	16	18	16	23	16	19	19
3	16	24	18	17	16	18	19	17	19	17	24	17	20
4	12	18	21	16	16	14	17	17	16	18	16	22	16
5	19	17	16	24	16	15	15	18	19	17	19	17	24
6	24	16	14	15	23	18	14	14	17	18	16	18	16
7	22	28	18	14	14	24	19	15	15	18	19	17	19
8	28	20	26	18	16	14	24	19	15	15	18	19	17
9	37	28	20	24	20	17	14	24	19	15	15	18	19
10	35	36	26	21	28	16	17	14	24	19	15	15	18
11	28	32	30	29	24	25	16	16	14	23	19	14	15
12	28	30	27	27	29	22	24	15	16	13	22	18	14
Total K-12	306	306	275	256	252	237	230	229	229	232	237	233	234
K-6 Total	128	132	128	123	121	119	117	126	127	128	130	132	134
5-8 Total	93	81	74	71	69	71	72	66	66	68	72	70	75
6-8 Total	74	64	58	47	53	56	57	48	47	51	53	53	51
9-12 Total	128	126	103	101	101	80	70	70	72	70	71	65	65

NOTE: 2018-19 through 2022-23 birth data are an average of the previous five years data as these children are either not born yet or the data are not yet available.



Examining Table 5.1, it is apparent that Elizabethtown-Lewis's K-12 enrollment has dropped over the past six years from 306 students in 2010-11 to this year's enrollment of 237, a decrease of 69 students or 22.5%. However, looking to the future, the K-12 enrollment appears to be leveling off at about 230 K-12 students.

Table 5.2 Westport Enrollment History and Projections													
Grade	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Birth Data	12	9	13	8	3	8	10	10	8	8	8	8	8
K	15	17	10	20	12	13	16	20	20	16	16	16	16
1	17	15	17	16	22	10	14	18	22	22	18	18	18
2	25	16	14	12	14	24	9	13	16	20	20	16	16
3	15	23	15	14	12	17	24	9	13	16	20	20	16
4	15	13	23	16	15	12	17	24	9	13	16	20	20
5	17	16	13	24	17	15	12	18	25	10	14	17	21
6	21	17	17	14	25	17	16	13	18	26	10	14	17
7	24	19	18	16	15	24	17	15	13	18	26	10	14
8	20	23	19	15	16	15	23	16	15	12	17	25	9
9	22	18	24	18	14	16	14	22	16	14	12	17	24
10	11	23	15	21	17	15	15	14	21	15	14	11	16
11	20	11	19	17	22	18	15	15	14	21	15	14	11
12	29	21	10	20	14	20	17	14	15	13	20	14	13
Total K-12	251	232	214	223	215	216	210	212	216	217	217	211	211
K-6 Total	125	117	109	116	117	108	109	114	124	123	113	121	124
5-8 Total	82	75	67	69	73	71	68	62	71	66	67	65	62
6-8 Total	65	59	54	45	56	56	55	44	46	56	53	49	41
9-12 Total	82	73	68	76	67	69	62	66	65	64	61	56	64
NOTE: 2018-19 through 2022-23 birth data are an average of the previous five years data as these children are either not born yet or the data are not yet available. Westport's enrollment figures include non-residents; E-L and Willsboro districts do not accept non-residents.													

Table 5.2 illustrates Westport's enrollment history and projections. Like Elizabethtown-Lewis, Westport too has seen an enrollment decline over the past six years. The K-12 student body totaled 251 in 2010-11 and this current year is at 216, a decrease of 35 students or 13.9%. Looking to 2022-23 this enrollment decline is projected to stabilize. It is estimated that in 2022-23 the K-12 enrollment will be very close to what it is currently (211).



Table 5.3
Willsboro Enrollment History and Projections

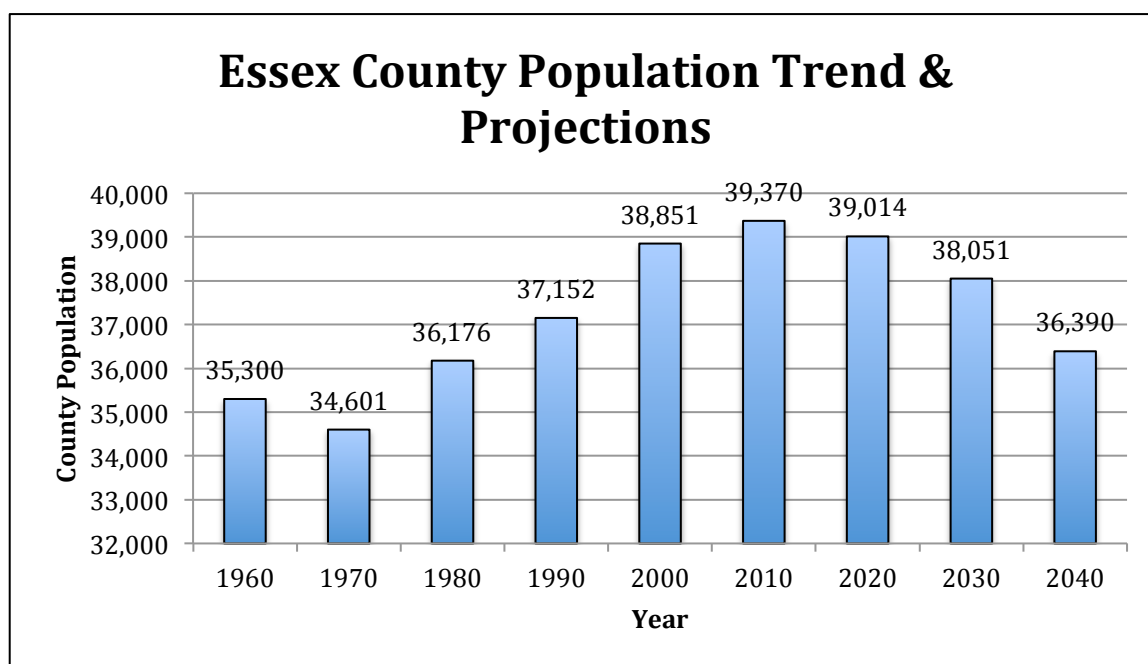
Grade	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Birth Data	17	21	19	21	23	23	19	14	20	20	20	20	20
K	29	27	20	18	20	22	25	21	15	22	22	22	22
1	18	28	22	16	21	20	21	24	19	14	20	20	20
2	22	25	23	21	14	20	20	21	24	19	14	20	20
3	27	20	18	23	23	17	20	20	21	23	19	14	20
4	28	29	21	18	18	24	17	20	20	20	23	19	14
5	20	28	22	21	17	18	23	16	18	18	19	22	18
6	19	19	21	22	18	17	16	21	14	17	17	17	20
7	23	17	19	23	20	17	16	16	20	14	16	16	17
8	27	24	15	19	22	20	17	16	16	19	14	16	16
9	15	26	22	13	15	22	18	15	15	14	18	12	14
10	23	16	27	22	13	15	22	19	15	15	14	18	13
11	22	22	16	25	21	13	15	22	18	15	14	14	17
12	23	21	20	14	21	18	12	13	19	16	13	13	12
Total K-12	296	302	266	255	243	243	241	241	234	227	224	224	224
K-6 Total	163	176	147	139	131	138	141	141	131	134	135	135	134
7-12 Total	133	126	119	116	112	105	100	100	103	93	90	89	90
5-8 Total	89	88	77	85	77	72	72	68	68	69	66	71	70
6-8 Total	69	60	55	64	60	54	49	53	50	50	47	50	52
9-12 Total	83	85	85	74	70	68	67	68	67	60	60	57	57

NOTE: 2018-19 through 2022-23 birth data are an average of the previous five years data as these children are either not born yet or the data are not yet available.



Willsboro's enrollment too has been declining over the past six years. In 2010-11 the K-12 student enrollment numbered 296 while this current year there are just 243 students in K-12, a decrease of 53 students or 17.9%. This decline will likely slow as we look at the future years so that by 2022-23, the district's total student enrollment will be approximately 224 students. This represents an additional 7.8% decline.

The declining enrollment trends in all three school districts are not surprising given the information provided in the following graph. The graph presents a historical trend of the overall population for Essex County where all three districts are located. It is apparent that the increase in county population leveled off between 2000 and 2010 and more importantly it appears there will be a gradual decline out to the year 2040.



Source: Cornell University Program for Applied Demographics

The next section of this report looks at the student populations that would result if the districts were to merge. The tables that follow depict the student populations for all four-merger combinations that are being considered in this study. Table 5.4 that follows shows the student population that would result if all three districts merged into a single district.

Table 5.4 Projected Enrollments of Merged Elizabethtown-Lewis, Westport and Willsboro District								
District	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Elizabethtown-Lewis	237	230	229	229	232	237	233	234
Westport	216	210	212	216	217	217	211	211
Willsboro	243	241	241	234	227	224	224	224
Total	696	681	682	679	676	678	668	669

Looking at table 5.4, a district resulting from the merger of all three districts would have a student population of 681 students in 2016-17. Over the next six years, it is projected that this population would decline to approximately 669 students.

Table 5.5 that follows shows the student population that would result from a merger of the Elizabethtown-Lewis and the Westport Central School Districts. This



combination of districts would yield a student body of approximately 440 students in 2016-17, a figure that is projected to remain relatively constant over the next six years.

Table 5.5								
Projected Enrollments of Merged Elizabethtown-Lewis and Westport District								
District	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Elizabethtown-Lewis	237	230	229	229	232	237	233	234
Westport	216	210	212	216	217	217	211	211
Total	453	440	441	445	449	454	444	445

Table 5.6 that follows shows the student population that would result from a merger of the Elizabethtown-Lewis and the Willsboro Central School Districts. This merged district would have a student population of approximately 471 students in 2016-17, a number that is projected to decline to approximately 458 students over the next six years.

Table 5.6								
Projected Enrollments of Merged Elizabethtown-Lewis and Willsboro District								
District	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Elizabethtown-Lewis	237	230	229	229	232	237	233	234
Willsboro	243	241	241	234	227	224	224	224
Total	480	471	470	463	459	461	457	458

Finally, table 5.7 that follows shows the student population that would result from a merger of the Westport and Willsboro Central School Districts. This merged district would have approximately 451 students in 2016-17, projected to decline to 435 students over the next six years.

Table 5.7								
Projected Enrollments of Merged Westport and Willsboro District								
District	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Westport	216	210	212	216	217	217	211	211
Willsboro	243	241	241	234	227	224	224	224
Total	459	451	453	450	444	441	445	435

In order to provide a perspective on the size of these merged districts, the following rural school districts in New York State have approximately the same number of students as the various combinations under consideration. Any combination of two district mergers will have approximately the same number of students in 2016-17:



- Elizabethtown-Lewis & Westport=440 students
- Elizabethtown-Lewis & Willsboro=471 students
- Westport & Willsboro=451 students

The following North Country districts have approximately the same number of students:

- Chateaugay-490
- Northville-444
- Belleville-Henderson-461
- Sackets Harbor-450
- Copenhagen-422
- Remsen-412
- Heuvelton-479
- Parishville-Hopkinton-423
- Ft. Ann-450
- Hartford-463
- Chazy-462

Should all three districts decide to merge, the resulting school district would have approximately 681 students. The following North Country districts have approximately 700 students:

- Moriah-717
- Lake Placid-707
- Brushton-Moira-786
- Madrid-Waddington-681
- Whitehall-790
- Warrensburg-768
- Fort Edward-566
- Hadley-Luzerne-766



Chapter 6

Academic Program

It is important for any school board that is considering a possible merger discussion to do so with the primary intent of sustaining and hopefully enriching 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.



Looking first at the elementary school program, Willsboro is the only one of the three districts that provides a pre-kindergarten program.

Table 5.1 that follows shows the number and size of elementary grade sections that are offered in the 2015-16 school year.

Table 6.1 Elementary School Section Sizes-2015-16			
Grade	Elizabethtown-Lewis	Westport	Willsboro
<i>Pre-K</i>	-	-	20
Kindergarten	19	13	22
1	18	10	20
2	18	24	20
3	18	17	17
4	14	12	24
5	15	15	18
6	18	17	17
TOTAL K-6	120	108	138
NOTE: Number of students in this table may vary from the enrollment projection tables due to varying times when the data were drawn.			

Westport is the only district that has any language in its collective bargaining agreement regarding class size. This language states that “insofar as possible the teaching staff should be distributed in such a manner that no primary grade teacher (K-6) shall be asked to be directly responsible for the instruction of more than twenty-four pupils in any given subject area at one time.” In Westport, only the 2nd grade has 24 students; no other grade level even approaches that number.



While understanding that the elementary school section size is important, school districts that merge often choose to leave the elementary schools where they are located at the time of the merger. This provides a school presence in each of the communities and allows the youngest students to have the shortest bus rides from home to school and back.

For this study, we have summarized high school course offerings that each of the school districts would bring to a newly formed district. The following table 6.2 summarizes these offerings.

Table 6.2 Junior/Senior High School (7-12) Course Offerings-2015-16 Does Not Include Resource Rooms, Science Labs, or Study Halls			
Course	Elizabethtown-Lewis	Westport	Willsboro
ENGLISH			
English 7/Reading 7 in Westport	21	12, 13/12, 13	12
English 8	13	12, 16, 4	7, 10
English 9	17	16	18
English 10	16	15	15
English 11	8, 16	18	3, 9
English 12	15	7	4
AP English Language & Literature	5	6	
Humanities	4, 4		
College English-1/2 year			8
College Short Fiction-1/2 year			8
English AIS			8, 5, 2
Journalism		8	
SOCIAL STUDIES			
Social Studies 7	23	12, 13	16
Social Studies 8	14	16	7, 12
Global History 9	19	16	20
Global History 10	15	15	13
US History & Government	22, 6	9, 1	4
AP US History		8	
Participation in Government-1/2 year	5, 15	16	9
Economics-1/2 year	5, 15	16	8
College US History 1			8
College US History 2			8
College Economics 1			9
College Government			9
Social Studies AIS 7-12			1, 2
Geography		16	



MATH			
Math 7	23	9, 11	15
Math 8	14		10, 6
Pre-Algebra	14	18	
Algebra I	13	11	9
Integrated Algebra A		5	8
Integrated Algebra B		4	5
Algebra 2/Trigonometry	12	10	8
Geometry	10, 4	10	10
Business Math			2
Personal Finance			8, 11
Math AIS 7-12			1, 2
Pre-Calculus		4	5
Pre-Calculus-1/2 year	8		
Calculus	8	3	
Introduction to Math Concepts-1/2 year	20		
Statistics	20	9	
College Algebra			9
SCIENCE			
Science 7	23	13, 12	17
Science 8	14	16	14, 4
Earth Science	19	16	20
Living Environment/Biology	15	14	13
Biology Tech			3
College Biology			11
Chemistry	16	14	9
Physics	8	6	
Forensics	16		
Applied Science		6	
Criminology			3
Environmental Science		7	
College Environmental Science			7
LANGUAGES OTHER THAN ENGLISH			
French 1A-7 th grade	21	14, 12	
French 1	13	14	8
French 2	12	14	12
French 3	5	9	6
French 4		7	9
French 5		5	9
French 7			13
College French 1			4
College French 2			4
Spanish I			8
Spanish II			5



Spanish III			3
Spanish V			1
Spanish VII			2
College Spanish 1			5
College Spanish 2			5
Latin		9	
TECHNOLOGY			
Tech 7-1/2 year	23	9, 10, 6	8, 9
Tech 8-1/2 year	14	7, 8	9, 11
Video Production		5, 2	
Design & Drawing for Production	14		9
Principles of Engineering		4	
Architectural Drawing		5	
Computer I	8		
Technology			5
Technology Interactions			3
Energy, Power, & Transportation			1
Carpentry-1/2 year			1
BUSINESS			
Senior Video	6		
Keyboarding-1/2 year	18		
Accounting		1, 14	
Marketing	9	4	
Business Law		16	
FINE ARTS			
Art 6-1/2 year	18		
Art 7-1/2 year	23	7, 7, 4, 7	9, 8
Art 8-1/2 year	14	7, 7	10, 10
Studio in Art		6, 5, 11, 11, 5, 5	11
Advanced Art	2/3 12/6	2, 1, 3, 1, 2, 2	
AP Studio in Art	17		
Art Design-1/2 year	12		7
Developing Ideas-Art Media-1/2 year			10
Drawing & Painting			8
Drawing I		1	
Music 6-1/3 year	17		
Music 7-1/2 year	23		8, 9
Music 8-1/2 year	14		10, 10
General Music		12, 1	
History of Rock Music		7	
Band, Chorus, Jazz Band	51		
Chorus		6, 25	14
Jr Hi Chorus			23
Music Technology			3
Jr Hi Band-1/2 year			10



Band		32	
High School Band		18	
Advanced Music-1/2 year			3
FAMILY & CONSUMER SCIENCE			
Family & Consumer Science-1/2 year	14, 23	5, 7, 8, 5, 8, 8	9, 8, 10, 9
HEALTH & PHYSICAL EDUCATION			
Health 6-1/2 year	18	16	
Health 7		11, 14	
Health 10-1/2 year	14		
Physical Education-1/2 year	18, 33, 46, 23, 14, 18, 18, 33, 46	30, 7, 41, 24, 1	17, 23, 16, 18, 20, 11
Concepts of Wellness		2	
OTHER			
Driver Education-Classroom			7, 4
Driver Education-Car			3, 4, 4
Drivers Education		13, 7, 3, 3	

Information in table 6.2 clearly demonstrates that each district offers a comprehensive academic program for districts of this size. It is also clear that these districts do not have the number of electives, college level courses, advanced placement courses, or specialty programs such as International Baccalaureate or Project Lead the Way that would more likely be found in high schools with a larger student populations.

In addition, it is equally clear that each district offers some unique courses that would benefit students from the other districts. For example, Willsboro offers a number of college English and social studies courses as well as Spanish, courses that are not offered in Elizabethtown-Lewis or Westport. Westport, on the other hand, offers journalism, geography, and Latin that are not offered in Elizabethtown-Lewis or Willsboro. Finally, Elizabethtown offers humanities and forensics that are not offered in either Westport or Willsboro. In short, a merger of any of these two or three districts would enhance the breadth of the academic courses at the high school level for all students, regardless of where they currently attend school. This is simply due to the fact that larger high schools are able to offer more course offerings than smaller high schools.

In looking at the number of high school offerings, it is apparent that all three districts offer approximately the same number of courses. Differences in the number of courses in English, Social Studies, Math, and Languages Other than English have been previously noted in this report. In fact, this is one of the major reasons that school



districts consider merging. They understand that by combining high schools, a larger number of students will be in the merged high school and, as a result, more courses will be available to the students. In this case, students from all three districts would benefit by having access to the courses from the other high schools.

In addition to having access to more course offerings, a second academic advantage often emerges from merging high schools. Like most high schools in New York State, Elizabethtown-Lewis, Westport, and Willsboro all have a number of courses with low enrollments, especially in the elective areas. Across the three districts, there are 147 sections of courses that are currently offered that have fewer than ten students enrolled. As finances continue to squeeze school district operations, pressure will increase to eliminate programs. Programs with low enrollments will be the most vulnerable. By merging high schools, low enrollment classes can be combined which will increase enrollments and increase the probability that these offerings can be maintained for the students. The current status of low enrolled classes can be seen by curriculum area in table 6.3 that follows.

Table 6.3						
Grades 7-12 Section Sizes with Fewer Than Ten Students (Does not Include AIS)						
	Elizabethtown-Lewis		Westport		Willsboro	
Course Area	Number of Sections	Number of Sections with Fewer than 10 Students	Number of Sections	Number of Sections with Fewer than 10 Students	Number of Sections	Number of Sections with Fewer than 10 Students
English	10	4	13	4	10	6
Social Studies	10	3	11	3	12	8
Mathematics	11	3	11	6	15	11
Science	7	1	9	3	10	5
Languages Other than English	4	1	8	4	15	13
Technology	4	1	9	8	9	8
Business	3	2	4	2	0	0
Fine Arts	13	3	26	20	17	8
Family & Consumer Science	2	0	6	6	4	3
Health & Physical Education	11	0	9	3	6	0
Driver Education	0	0	4	3	5	5
Total	75	18 (24%)	110	62 (56%)	103	67 (65%)

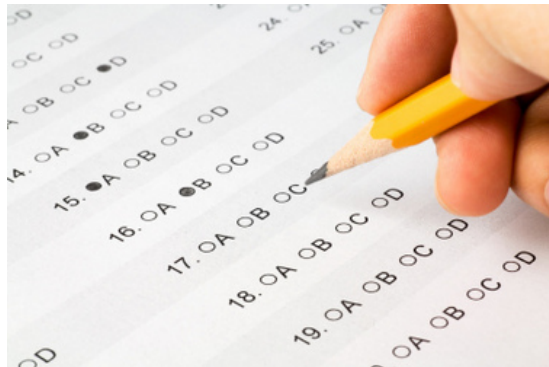
There is nothing inherently wrong with small class sizes. In part, there are advantages to small class sizes in that the individual attention that can be given to



students in smaller classes that cannot be provided to students as class sizes increase. On the other hand, in addition to the financial issues discussed previously that are related to small class sizes, classes that are too small can reduce the amount of interaction between students of different views and actually decrease the benefit of the class. Without making value judgments about small class sizes, these data are presented in order to identify one of the challenges of small high schools.

Finally, table 6.4 is presented to show the graduation rates and aspirational performance rates for each of the three districts. Again, we see that the data is more similar than different across the three school districts.

Table 6.4			
2014-15 Aspirational Performance Scores by District			
District	Graduation Rate (%)	Students Eligible for APM Scores*	College Ready Rate
Elizabethtown-Lewis	90	30	30
Westport	100	14	36
Willsboro	80	25	20
* APM is the aspirational performance measure meaning they scored at least 75 on the English regents exam and 80 on the math. SOURCE: The NYS Education Department			





Chapter 7 Athletics

Interscholastic athletics can evoke strong emotions in people. Athletics are often a great source of community pride and can serve to provide a well-rounded education for the students in a school district.



All three districts are located in Section VII of the New York State Public High School Athletic Association and play in the Mountain Valley Athletic Conference. Tables 7.1-7.3 that follow show the number of interscholastic athletic opportunities that are available to the students in all three districts as well as their participation rates.

Table 7.1 Interscholastic Athletic Participation Rates-Fall-2015			
Fall Sport	Elizabethtown-Lewis	Westport	Willsboro
Cross Country	1 ¹	2	
Soccer-Boys Varsity	11 ²	17	13
Soccer-Boys Modified	17 ²	12	12
Soccer-Girls Varsity	7 ²	12	13
Soccer-Girls Modified	4 ²	9	12
1- 4 way merger with Moriah, Keene, and Westport 2-Shared with Westport			

Table 7.2 Interscholastic Athletic Participation Rates-Winter-2014-15			
Winter Sport	Elizabethtown-Lewis	Westport	Willsboro
Basketball- Boys Varsity	13	10	7-10
Basketball- Boys JV	8		7-10
Basketball-Boys Modified	11	15	7-10
Basketball- Girls Varsity	14	10	7-10
Basketball- Girls Modified		9	7-10
Bowling			4
Indoor Track		1	



Table 7.3 Interscholastic Athletic Participation Rates-Spring-2014-15			
Spring Sport	Elizabethtown-Lewis	Westport	Willsboro
Baseball-Varsity		11	
Baseball-Modified	8 ³	7	
Golf	7	10	8
Softball-Varsity	12	11	11
Softball-Modified			10
Track & Field	8 ⁴	9	
3-Shared with Westport 4-4 way merger with Moriah, Keene, and Westport			

All three districts offer a limited athletic program for their students. While this might not be an ideal situation, this is often the reality in small rural school districts. A significant amount of sharing is already under way with respect to athletic programs. However, even with this sharing, the only JV program that exists is in boys' basketball. Not having a junior varsity program may mean that students are pushed to the varsity level before they are really ready to compete at that level.

In addition to the lack of JV opportunities, the number of opportunities for students to participate in interscholastic sports is severely limited. Students who want to play something other than soccer in the fall, basketball in the winter, and softball in the spring have minimal opportunities. Only one of the districts has a boys' baseball team in the spring.

A merger would create more athletic opportunities for the students. While the opportunity for students to have more extra-curricular activities from which to choose is generally seen as an advantage, an additional factor related to merger is the increased competition for meaningful playing time on athletic teams. Some people see this as a negative while others see it as a positive.



Chapter 8 Facilities

In Chapter 10-Finances, the financing of school facilities will be 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 extra-curricular standpoint. They also represent major structures in all three of these communities and are, justifiably, a source of community pride. Table 8.1 that follows describes the current school facilities for Elizabethtown-Lewis, Westport, and Willsboro.

Table 8.1 School District Facilities for 2014-15			
District	Building/Address	Grade Levels	Number of Students
Elizabethtown-Lewis	7530 Court Street Elizabethtown, NY 12932	K-12	252
Westport	25 Sisco Street Westport, NY 12993	K-12	215
Willsboro	29 School Lane Willsboro, NY 12996	PK-12	243

All three districts have provided facilities for their students that 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. Table 8.2 that follows provides additional information about the facilities in these three districts.

Table 8.2 Building Information from 2010 Building Condition Survey			
	Elizabethtown-Lewis	Westport	Willsboro
Year Constructed	1951	1933	2001
Number of Floors	3	3	1
Square Feet	194,190	77,257	88,210
Number of Instructional Classrooms	34	29	44
Overall Building Rating	Excellent	Satisfactory	Excellent



While the initial construction of school facilities is expensive, all three districts receive funding assistance from the state in order to construct these buildings. And while the extent to which the state shares in the cost of capital construction can vary with each project, the current state sharing ratios can be seen as follows.

Elizabethtown-Lewis-63.9%

Westport-65.3%

Willsboro-52.0%

When school districts merge, it is not uncommon for the districts' elementary schools to remain in the communities where they are located. This is often done to maintain a school presence in a community. It is also done to avoid longer bus rides for the youngest children who attend the elementary schools. For purposes of this feasibility study, we will assume that the elementary schools will remain where they are currently located. This means that all three of the communities would have an elementary school.

Should the merged school district choose to have Pre-K-6 elementary schools and a 7-8 junior high school similar to how the districts are currently arranged, table 8.3 shows the 2014-15 enrollments for the three study districts at the junior and senior high school levels.

Table 8.3		
2015-16 Junior High School and High School Enrollments		
District	7-8 Enrollment	9-12 Enrollment
Elizabethtown-Lewis	38	80
Westport	39	69
Willsboro	37	68
Total	104	217

Table 8.3 shows that a merged district would have a junior high school with 104 students in grades 7-8 and a high school with 217 students in grades 9-12. Therefore, the merged high school would have to be significantly larger than the merged junior high school.

Should the merged school district choose to have K-5 elementary schools and a 6-8 middle school, table 8.4 that follows shows the 2015-16 enrollments for Elizabethtown-Lewis, Westport, and Willsboro at the middle school and high school levels.



Table 8.4 2015-16 Middle School and High School Enrollments		
District	6-8 Enrollment	9-12 Enrollment
Elizabethtown-Lewis	56	80
Westport	56	69
Willsboro	54	68
Total	166	217

Table 8.4 shows that a merged district would have a middle school with 166 students in grades 6-8 and a high school with 217 students in grades 9-12. Therefore, the merged high school would have to be somewhat larger than the merged middle school. It is clear that whether the merged school district chooses to have a 6-8 middle school or a 7-8 junior high school, the high school will have to be larger than either the middle school or the junior high school.



Table 8.5 that follows shows how the Elizabethtown-Lewis school building is currently being utilized.

Table 8.5 Elizabethtown-Lewis Central School Classroom Usage 2015-16 (Includes Gym & Locker Rooms, Cafeteria, Library, Auditorium, Music Room, Art Room, and Offices)				
School Building	No. of Full Size Classrooms	Grade Level/Subject Area Classrooms (24)	Other Usage of Full Size Classrooms (12)	Usage of Small Rooms, Not Full Size, Other than Administration
E'town-Lewis	36	Pre-K-1 K-1 1-1 2-1 3-1 4-1 5-1 6-1 English-2 Math-2 Social Studies-2 Science-2 French-1 Technology-1 Home Economics-1 Special Ed-5	Open-4 OT/PT-1 AIS-2 Faculty Room-1 Weight Room-1 Science Lab-1 Computer Lab-2	Conference Room Psychologist Nurse Counselor Open



Table 8.6 that follows shows how the Westport school building is currently being utilized.

Table 8.6 Westport Central School Classroom Usage 2015-16 (Includes Gym/Auditorium, Locker Rooms, Cafeteria, Library, Music Room, Art Room, Rifle Range, Weight Room, and Offices)				
School Building	No. of Full Size Classrooms	Grade Level/Subject Area Classrooms (22)	Other Usage of Full Size Classrooms (1)	Usage of Small Rooms, Not Full Size, Other than Administration
Westport	24	K-1 1-1 2-1 3-1 4-1 5-1 6-1 English-2 Social Studies-2 Math-2 Science-2 French-1 Business-1 Home & Career Skills-1 Technology-1 Shop-1 Special Ed-2	Computer Lab-2	Reading-1 Resource-1

Finally, table 8.7 that follows shows how the Willsboro school building is currently being utilized.



Table 8.7 Willsboro Central School Classroom Usage 2015-16 (Includes Gym & Locker Rooms, Cafeteria, Library, Auditorium, Music Room, Art Room, and Offices)				
School Building	No. of Full Size Classrooms	Grade Level/Subject Area Classrooms (33)	Other Usage of Full Size Classrooms (2)	Usage of Smaller Rooms, Not Full Size, Other than Administration
Willsboro	35	Pre-K-1 K-1 1-1 2-1 3-1 4-1 5-1 6-1 Elem Math-1 English-2 Social Studies-2 Science-2 Math-2 Math/Business-1 French-1 Spanish-1 F/C Science-2 Tech Shop-1 Tech Classroom-1 Special Ed-4 AIS-1 Vacant-4	Storage-1 Recess-1	OT/PT-1 Speech-2 Vacant-1

There are a number of different merger options that are being considered in this study. Each of the possibilities is presented as follows in table 8.8 that follows.

Table 8.8 Recommended School Locations with Various Merger Options					
Merger Option	Elementary Schools	6-8 Enrollment	6-8 School Location	9-12 Enrollment	9-12 School Location
E'town & Westport	1-E'town 1-Westport	112	Westport	149	E'town
E'town & Willsboro	1-E'town 1-Willsboro	110	Willsboro	148	E'town
Westport & Willsboro	1-Westport 1-Willsboro	110	Westport	137	Willsboro
E'town, Westport & Willsboro	1-E'town 1-Westport 1-Willsboro	166	Willsboro	219	E'town



The recommendations for the location of schools with the various merger options is based on having an elementary school in each of the communities regardless of which merger option is pursued. It is further assumed that the elementary schools would contain grades Pre-K-5 and that a middle school of grades 6-8 would be created. However, regardless of whether a 6-8 middle school was created or a 7-8 junior high school was created, the recommendations for locations would be the same. It is also clear from table 8.8 that regardless of the option, any merged high school would be larger than any merged middle school or junior high school. The recommendations for location are based on putting the high school with more students in the bigger building and the middle/junior high school with fewer students in the smaller building. Finally, a final recommendation on the location of the schools would not be made without a more complete analysis of the building sites for athletic fields, playgrounds, parking, etc. This analysis would be part of a full merger study and might change the final recommendation on the location of facilities.

The three districts combined would have a total geographic area of 352 square, a merger of Elizabethtown-Lewis and Westport would yield a district of 244 square miles, Elizabethtown-Willsboro would be 282 square miles, and a joining of Westport and Willsboro would be a district of 178 square miles. To gain a perspective on the geographical size of these various merger combinations, the following selected data on the area of districts located in New York are presented in table 8.9.



Table 8.9			
Similar Geographic Size Districts Given Various Possible Merger Combinations			
A Three District Merger (352 sq. miles)	E'town-Westport Merger (244 sq. miles)	E'town-Willsboro Merger (282 sq. miles)	Westport-Willsboro Merger (178 sq. miles)
Northern Adirondack- 379	Randolph-264	Randolph-264	Cobleskill- Richmondville-181
Schroon Lake-330	Pioneer-210	Pioneer-210	Middleburgh-179
Long Lake-386	Ausable Valley-274	Ausable Valley-274	Deposit-124
Malone-366	St. Regis Falls-239	St. Regis Falls-239	Newark Valley-139
Adirondack-360	Tupper Lake-279	Tupper Lake-279	Whitney Point- 142
South Lewis-338	Wells-269	Wells-269	Keene-161
Gouverneur-331	Beaver River-248	Beaver River-248	Northeastern Clinton-124
	Indian River-283	Indian River-283	Peru-132
	South Jefferson-213	South Jefferson-213	Saranac-178
	Clifton Fine-296	Clifton Fine-296	Ticonderoga-136
	Colton-Pierrepont-258	Colton-Pierrepont-258	Chateaugay-124
	Edwards Knox-230	Edwards Knox-230	Lake Placid-173
	Indian Lake-265	Indian Lake-265	Salmon River-127
	Newcomb-252	Newcomb-252	Lake Pleasant-195
			Northville-142
			Carthage-189
			Thousand Islands-193

The capital expense discussed in this chapter is an area where the state pays significant financial incentives for school districts that merge. If districts merge, the state provides incentives related to approved capital construction for a ten-year period and for existing building debt. For any approved capital construction in a merged district, the state multiplies the higher district's building aid ratio by 30%, and then adds the resultant figure to the higher building aid ratio. New York State aids up to a maximum of 95% (98% for high needs districts) for a period of ten years after the merger. This means that any new construction in a merged Elizabethtown-Lewis/Westport/Willsboro, an Elizabethtown/Westport or a Westport/Willsboro district would be aided by the state at 85%. A merged Elizabethtown-Lewis/Willsboro merger would have new capital construction aided at 83%. These projections are based on current building aid ratios for the districts that were identified earlier in this chapter.

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 previous districts' building aid ratio.



Any existing debt for any district involving a merger with Westport would be aided at 65.3%, Westport's current aid ratio and the highest of the three districts. Existing debt in a merger with Elizabethtown-Lewis and Willsboro would be aided at 63.9%, the existing aid ratio for Elizabethtown-Lewis that is higher than Willsboro's aid ratio of 52%. A complete analysis of the financial impact of these state incentives would be part of a complete merger study.

**A complete financial analysis would be part of a
complete merger study**



Chapter 9 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 three districts being studied.

However, this analysis will not tell us how long all 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. However, this look at distances between buildings can provide some basic information on distances and therefore give a sense of additional riding times. Since it would be unlikely that the elementary school students would be transported to a

building other than the one they now attend, it is only important to note the distance between the schools housing the secondary grades.

Another factor, which will influence the time that students are on buses, is the geographic size of the district. As noted in Table 3.1, the geographic size of each district is as follows: Elizabethtown-Lewis, 174 square miles; Westport, 70 square miles; Willsboro, 108 square miles.

In addition to the distance that children travel to get to and from school, another factor to be considered in a merger is the bus fleet that each district brings to the possible merger. Elizabethtown-Lewis currently has two large school buses, four small buses, and one van (excluding four spares). Westport's fleet includes three large buses (65 passenger), one 30-passenger bus, three small buses/vans, and one pick-up truck used by buildings and grounds staff. Willsboro's bus fleet consists of seven large buses, two vans, and non-DOT driver's education car. In examining the bus fleets of all three districts, it is readily apparent each has done a good job of keeping their fleets current. The districts have replaced buses in recent years. On average for the past five years, the



districts have replaced one or two buses per year. It does not appear that the condition of any of the bus fleets would be any type of deterrent to merger discussions.

Table 9.1			
Distance Between Secondary Schools			
Districts	Elizabethtown-Lewis	Westport	Willsboro
Elizabethtown-Lewis		8.4 miles/ 14 minutes	18.0 miles/ 28 minutes
Westport	8.4 miles/ 14 minutes		16.7 miles/ 26 minutes
Willsboro	18.0 miles/ 28 minutes	16.7 miles/ 26 minutes	

When school districts entertain possible consolidation, one significant variable that always comes up in discussion is the amount of time students will have to ride the bus!



Chapter 10

Staffing

We begin our review of staffing and related financial implications of merger by presenting the administrative organizational structure of the three study districts. The following table summarizes the administrative/supervisory positions in the three study districts.

Table 10.1			
Administrative & Supervisory Positions			
Position	Elizabethtown-Lewis	Westport	Willsboro
Superintendent	X	X	
Superintendent/Principal			X
School Business Manager	X		
District Treasurer		X	X
Principal	X	X	
Dean of Students			X
Director of Student Services	X	X	
Athletics Coordinator/Director	X	X	X
Transportation Coordinator	X		
Supervisor of Buildings & Grounds	X		
Director of Buildings & Grounds & Transportation		X	X
School Lunch/Cafeteria Manager	X	X	
NOTE: Westport and Elizabethtown-Lewis also share the same business office team.			

All three districts have a superintendent of schools; however, the superintendent in Willsboro also acts as the building principal. Willsboro also has a part time dean of students who helps with management issues in the building. Depending on the grade/building arrangements in a merged district, it might or might not be possible to reduce any building level administrators. In addition, each of the districts has an individual responsible for the business function. These individuals either carry the title of school business manager or district treasurer. In a merged district scenario, only one superintendent and one business administrator would be needed.

Each district has an athletic director. Elizabethtown-Lewis has a supervisor of buildings and grounds and a transportation coordinator. These responsibilities are combined into one position in both Westport and in Willsboro. Elizabethtown-Lewis and



Westport both have a school lunch manager while Willsboro pays a \$2,500 stipend to a cook to do management, ordering, and paperwork. In any merger, it would be possible to reduce a significant number of central office staff. Whether or not the merged district would choose to make these reductions in staff is a topic for further discussion.

We now look at the compensation of teachers in Elizabethtown-Lewis, Westport, and Willsboro. All three districts have a traditional salary schedule that is structured around years of service and the attainment of graduate credits. Table 10.2 that follows compares those salary grids for the three districts.

Table 10.2 Comparison of Teacher Salary Schedules-2015-16 (Assumes a 30 Hour Masters Degree)			
Column and Step	Elizabethtown-Lewis	Westport	Willsboro
B-Step 1	36,781	41,168	39,970
B-Step 5	39,834	44,923	44,208
B-Step 10	46,269	49,672	49,949
B-Step 15	53,319	54,433	56,038
B-Step 20	60,811	59,165	62,431
B-Step 25	69,095	63,952	69,040
Top Step	69,095 (25)	71,520 (33)	71,738 (27)
M-Step 1	38,739	45,593	43,180
M-Step 5	41,935	49,348	47,418
M-Step 10	48,424	54,097	53,159
M-Step 15	55,482	58,858	59,248
M-Step 20	62,974	63,590	65,641
M-Step 25	71,267	68,377	72,250
Top Step	71,267 (25)	75,945 (33)	74,948 (27)
M+30-Step 1	41,050	48,743	46,390
M+30-Step 5	44,534	52,498	50,628
M+30-Step 10	51,138	57,247	56,369
M+30-Step 15	58,209	62,008	62,458
M+30-Step 20	65,802	63,590	68,851
M+30-Step 25	74,006	71,527	75,460
Top Step	74,006 (25)	79,095 (33)	78,670 (27)

Included in the table 10.2 are payments to teachers when they attain a Masters Degree. Elizabethtown-Lewis pays \$800 for a Masters, Westport pays \$1,275 for a Masters, and Willsboro does not pay an additional stipend for the Masters. In addition,



the table identifies the highest salary in each column of the schedule with the number in parentheses representing the step/years of experience needed to reach that highest salary. Finally, there are two Elizabethtown-Lewis teachers who are above the salary schedule and make salaries of \$74,153 and \$76,849. From the construction of this salary table as specified above, it is clear that the salary schedules are relatively comparable. Westport



has the highest salaries at the beginning of the salary schedules but Elizabethtown-Lewis and Willsboro are higher than Westport at the upper end of the salary schedule and are relatively equal to each other. In addition to comparing the salary schedules, table 10.3

that follows compares the actual salaries that are paid to teachers in the districts.

Table 10.3			
Teacher Salary Information for 2015-16			
	E'town-Lewis	Westport	Willsboro
Total Teacher Payroll	\$1,646,515	\$1,604,128	\$2,246,587
Number of Teachers	29	26	35
Average Teacher Salary	\$56,776	\$61,697	\$64,188
Average Teacher Step	15.4	17.7	17.4

In examining the teacher salary schedules in table 10.2 and the actual salaries paid to teachers in table 10.3, it is apparent that the schedules are fairly similar. The average teacher salaries in Westport and Willsboro are higher than they are in Elizabethtown-Lewis but so are the average years of experience (steps) by 2.3 and 2 years respectively. This would certainly account for some of the variation in salaries as would the number of graduate hours that teachers might have, a factor that was not included in this analysis. In conclusion, the teacher salary schedules, while certainly different, are not so different that a significant financial impact should be included in this study.

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 salary related 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 related benefit “leveling up” happens over a period of years.

The impact of merger on leveling up teacher salaries is difficult to predict. While it is true that previous mergers have provided for leveling up of teacher salaries, those mergers also took place in a very different economic climate than schools in New York State are facing today. Often times, those leveling up processes took place in school districts whose salary schedules were far different than the districts’ schedules in this study. There is no question that this concept should be included in planning for a possible merger. However, this impact should also be considered in conjunction with the amount of incentive operating aid that the districts will be receiving should a merger occur. In addition, in the conduct of the actual merger study, analysis will be done to determine efficiencies that might occur in the teaching, administrative, and support staff as the result of the merger. Given the analysis of the teacher salary schedules provided in Table 10.2 and the actual salaries paid to teachers in table 10.3, it does not appear to be appropriate to calculate a significant amount of money that might otherwise be needed to level up salaries from one district to another.

One other benefit that is of significant cost to school districts is the cost of health insurance premiums for its employees. Table 10.4 that follows shows the contribution rates for health insurance premiums that the study districts pay for their employees.

From table 10.4, it is clear that, in spite of all belonging to the same insurance consortium, due to bargaining agreements health insurance programs vary from one district to another with respect to both active employees as well as retirees. Insurance coverage is a complex undertaking and entails more detail than is shown in the table above. It is equally clear that, should a merger occur, the negotiation of a single health insurance program will be a complex and emotional undertaking. However, to the extent that this study looks at health insurance coverage, the conclusion is again that the plans are much more similar than different. All three districts contribute approximately the same amount for active staff and all three districts have programs for their retirees that are significant. If a merger were to occur, a new plan would have to be developed but it is not anticipated that the financial impact would be so significant as to be included as a factor in this study.



Table 10.4 Health Insurance Programs		
District	Active Employees	Retirees
E'town-Lewis	Employees pay \$945 for individual coverage and \$1,900 for dependent coverage	-Employees hired on or after 7.1.11 need 15 years of service; -Employees hired after 7.1.95 pay the same premiums as active employees; -District pays 100% of premium for current retirees and current employees upon retirement.
Westport	District pays 89% of the premiums for individual and dependent coverage	-Employees hired before 6.30.13 need 19 years of service; employees hired after 7.1.13 need 20 years of service; -For employees hired before 9.1.96, district pays the entire premium; employees hired after 9.1.96 pay the same as active employees.
Willsboro	District pays 88% of the premiums for individual and dependent coverage	-Employees hired prior to 7.1.12 need 15 years if service; employees hired after 7.1.12 need 20 years of service; -Employees hired on or after 7.1.15 pay 4% of the premium; employees hired before 6.30.15 pay 3% of the premium; employees hired before 6.30.12 pay 2% of the premium.



Chapter 11 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 study districts. That history of first annual budget votes is reflected in the table that follows.



Table 11.1 History of School Budget Votes in the Study Districts						
	Elizabethtown-Lewis		Westport		Willsboro	
Year	Yes	No	Yes	No	Yes	No
2006	154	70	179	98	231	81
2007	120	48	116	102	203	86
2008	166	64	175	88	233	99
2009	206	40	189	143	199	81
2010	374	140	253	199	247	78
2011	266	80	201	154	253	46
2012	196	64	206	122	191	40
2013	162	53	161	71	193	41
2014	184	43	171	53	229	133
2015	151	32	188	31	196	57

Table 10.1 above portrays an enviable voting record on school budgets for all three districts. In the past 10 years, residents of Elizabethtown-Lewis, Westport and Willsboro have passed budgets on the first vote every year. Residents of all three districts have shown strong support for the spending plans advanced by their boards of education.

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 10.2 that follows reflects outstanding debt service for facilities as well as for school bus purchases.

Table 11.2 Debt Service Projections-Principal and Interest-Before State Aid (Indicates total principal and interest and year existing debt is retired)			
Year Retired	Elizabethtown-Lewis	Westport	Willsboro
2015-16	\$631,288	\$312,100	\$754,175
2016-17	\$627,440	\$313,388	\$752,775
2017-18	\$626,296	\$314,275	\$760,775
2018-19	\$358,142	\$314,725	\$753,275
2019-20	\$48,038	\$324,775	\$755,025
2020-21	\$46,925	\$324,175	\$755,525
2021-22	\$45,812	\$322,863	\$754,775
2022-23	\$44,699	\$51,138	\$753,175
2023-24	\$43,586	\$49,938	\$755,775
2024-25	\$42,473	\$48,738	\$751,643
2025-26	\$41,360	\$57,438	\$755,931
2026-27	\$45,247	\$55,688	\$753,150
2027-28	\$43,975	\$53,875	\$753,450
2028-29	\$42,703	\$51,938	\$752,400
2029-30	\$41,431		
2030-31	\$5,159		
TOTAL	\$2,734,574	\$2,595,054	\$10,561,849

The total debt load of the three districts can be seen in table 10.2. Elizabethtown-Lewis will be repaying debt through the 2030-31 school year and has a combined outstanding principal and interest totaling \$2,734,574. Westport's debt repayment schedule will not be complete until 2028-29 and its total debt load is \$2,595,054. Willsboro's capital debt will also expire in 2028-29 and its debt totals \$10,561,849. This existing debt is a factor that must be considered. However, it is important to note that the data contained in Table 10.2 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 or transportation aid. The transportation aid ratios for the three districts are as follows: Elizabethtown-Lewis, .609; Westport, .480; and, Willsboro, .207. The building aid ratios for the three districts are: Elizabethtown-Lewis, .693; Westport, .653; and, Willsboro, .520.



While building aid ratios may vary from one capital project to the next, these changes are usually not terribly significant. Obviously, given the percentages above, the state's contribution to these capital costs significantly reduces the impact to the local taxpayer. In all three districts, the local taxpayer pays between 36 and 48 cents on the dollar for these capital costs. The amount of existing capital debt that Willsboro must repay is something the districts should consider during these discussions because its obligations are significantly more than the debt service in either of the other two districts.

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. As explained in the facilities chapter of this report, a three-district merger would benefit from an enhanced building aid ratio of 85% as would a merger of Elizabethtown-Lewis and Westport and a merger of Westport and Willsboro. If Elizabethtown-Lewis and Willsboro were to consolidate, the resulting district would have an enhanced building aid ratio of 83%. Also explained in the financial section of this report, incentives for existing building debt are available as well 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 previous districts' building aid ratios. Consequently any combination of districts including Westport would increase the other district's existing building aid ratio to .653 while an Elizabethtown-Lewis-Willsboro merger would raise Willsboro's existing building aid ratio to that of Elizabethtown-Lewis (63.9%).

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 fund balances a school district has established are assets. Therefore, we reviewed all three school district fund balance accounts as of June 30, 2015 as summarized in table 11.3 that follows.

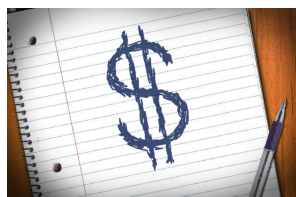


Table 11.3			
School District General Fund Balances-June 30, 2015			
	Elizabethtown-Lewis	Westport	Willsboro
Restricted	\$863,228	\$733,372	\$1,279,722
Assigned	\$354,336	\$36,482	\$714,126
Unassigned	\$851,780	\$376,780	\$1,311,524
Total Fund Balance	\$2,069,344	\$1,146,634	\$3,305,372

It can be seen from table 11.3 that all three districts have maintained funds in reserve accounts despite the fiscal challenges of the past several years.

These districts, like all other school districts in New York State, were required to set their tax rate for the 2015-16 school by September 1, 2015. The following table highlights items from this tax rate calculation.

Table 11.4			
Full Value Tax Calculation-2015-16			
	Elizabethtown-Lewis	Westport	Willsboro
Full Value	\$255,935,107	\$230,860,106	\$425,963,820
2015-16 School Levy	\$3,619,525	\$3,468,676	\$5,141,119
Full Value Tax Rate/\$1,000	\$14.14	\$15.06	\$12.07

Calculating full value tax rates is the only fair way to compare one district to the other 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 in this study. As Table 11.4 illustrates, the largest spread in tax rates per thousand dollars of full value is between Willsboro (\$12.07) and Westport (\$15.06) or 24.8%.

An extremely important benefit of school district consolidation in New York State is the amount of extra 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. For 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 operating aid is discontinued. Table 10.5 that follows shows that amount of incentive operating aid that would be generated should the three districts merge.



Table 11.5 Incentive Operating Aid – Elizabethtown-Lewis, Westport, & Willsboro						
Year	Elizabethtown-Lewis 2006-07 Operating Aid	Westport 2006-07 Operating Aid	Willsboro 2006-07 Operating Aid	Combined 2006-07 Operating Aid	Incentive Operating Aid %	Incentive Operating Aid
2016-17 (1)	\$1,154,561	\$490,035	\$713,608	\$2,358,204	40	\$943,282
2017-18 (2)	\$1,154,561	\$490,035	\$713,608	\$2,358,204	40	\$943,282
2018-19 (3)	\$1,154,561	\$490,035	\$713,608	\$2,358,204	40	\$943,282
2019-20 (4)	\$1,154,561	\$490,035	\$713,608	\$2,358,204	40	\$943,282
2020-21 (5)	\$1,154,561	\$490,035	\$713,608	\$2,358,204	40	\$943,282
2021-22 (6)	\$1,154,561	\$490,035	\$713,608	\$2,358,204	36	\$848,953
2022-23 (7)	\$1,154,561	\$490,035	\$713,608	\$2,358,204	32	\$754,625
2023-24 (8)	\$1,154,561	\$490,035	\$713,608	\$2,358,204	28	\$660,297
2024-25 (9)	\$1,154,561	\$490,035	\$713,608	\$2,358,204	24	\$565,969
2025-26 (10)	\$1,154,561	\$490,035	\$713,608	\$2,358,204	20	\$471,641
2026-27 (11)	\$1,154,561	\$490,035	\$713,608	\$2,358,204	16	\$377,313
2027-28 (12)	\$1,154,561	\$490,035	\$713,608	\$2,358,204	12	\$282,984
2028-29 (13)	\$1,154,561	\$490,035	\$713,608	\$2,358,204	8	\$188,656
2029-30 (14)	\$1,154,561	\$490,035	\$713,608	\$2,358,204	4	\$94,328
2030-31 (15)	\$1,154,561	\$490,035	\$713,608	\$2,358,204	0	\$0
					Total	\$8,961,175

As table 10.5 above illustrates, the total base year aids for the three districts in 2006-07 is \$2,358,204. The additional 40% incentive aid following a merger would be \$943,282 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 \$8,961,175 in extra revenue as a result of merging in addition to all other state aid the district would otherwise receive. An examination of this table makes it clear that the State of New York provides significant financial incentives in order to entice



school districts to merge. We now turn to the first of three possible two-district combinations to see the incentive aid calculations of each.

The first two-district combination is Elizabethtown-Lewis and Westport. Table 11.6 below tells us that for the first five years following centralization the new district would receive an additional \$657,838 incentive operating aid. In total, fourteen years after consolidation the total amount of incentive operating aid would be \$6,249,465.

Table 11.6 Incentive Operating Aid – Elizabethtown-Lewis and Westport					
Year	E'town-Lewis 2006-07 Operating Aid	Westport 2006-07 Operating Aid	Combined 2006-07 Operating Aid	IOA %	Incentive Operating Aid
2016-17 (1)	\$1,154,561	\$490,035	\$1,644,596	40	\$657,838
2017-18 (2)	\$1,154,561	\$490,035	\$1,644,596	40	\$657,838
2018-19 (3)	\$1,154,561	\$490,035	\$1,644,596	40	\$657,838
2019-20 (4)	\$1,154,561	\$490,035	\$1,644,596	40	\$657,838
2020-21 (5)	\$1,154,561	\$490,035	\$1,644,596	40	\$657,838
2021-22 (6)	\$1,154,561	\$490,035	\$1,644,596	36	\$592,055
2022-23 (7)	\$1,154,561	\$490,035	\$1,644,596	32	\$526,271
2023-24 (8)	\$1,154,561	\$490,035	\$1,644,596	28	\$460,487
2024-25 (9)	\$1,154,561	\$490,035	\$1,644,596	24	\$394,703
2025-26 (10)	\$1,154,561	\$490,035	\$1,644,596	20	\$328,919
2026-27 (11)	\$1,154,561	\$490,035	\$1,644,596	16	\$263,135
2027-28 (12)	\$1,154,561	\$490,035	\$1,644,596	12	\$197,352
2028-29 (13)	\$1,154,561	\$490,035	\$1,644,596	8	\$131,568
2029-30 (14)	\$1,154,561	\$490,035	\$1,644,596	4	\$65,784
2030-31 (15)	\$0	\$0	\$0	0	\$0
				Total	\$6,249,465

Tables 11.7 and 11.8 are essentially the same as the above table but for the other two possible district merger combinations: Elizabethtown-Lewis/Willsboro and Westport/Willsboro. The key data to note in these tables is, again, the amount of incentive operating aid each newly merged district would receive in each of the first five years following merger as well as the total the merged districts would receive following 14 years or this incentive aid payment.



Table 11.7
Incentive Operating Aid – Elizabethtown-Lewis and Willsboro

Year	E'town-Lewis 2006-07 Operating Aid	Willsboro 2006-07 Operating Aid	Combined 2006-07 Operating Aid	IOA %	Incentive Operating Aid
2016-17 (1)	\$1,154,561	\$713,608	\$1,868,169	40	\$747,268
2017-18 (2)	\$1,154,561	\$713,608	\$1,868,169	40	\$747,268
2018-19 (3)	\$1,154,561	\$713,608	\$1,868,169	40	\$747,268
2019-20 (4)	\$1,154,561	\$713,608	\$1,868,169	40	\$747,268
2020-21 (5)	\$1,154,561	\$713,608	\$1,868,169	40	\$747,268
2021-22 (6)	\$1,154,561	\$713,608	\$1,868,169	36	\$672,541
2022-23 (7)	\$1,154,561	\$713,608	\$1,868,169	32	\$597,814
2023-24 (8)	\$1,154,561	\$713,608	\$1,868,169	28	\$523,087
2024-25 (9)	\$1,154,561	\$713,608	\$1,868,169	24	\$448,361
2025-26 (10)	\$1,154,561	\$713,608	\$1,868,169	20	\$373,634
2026-27 (11)	\$1,154,561	\$713,608	\$1,868,169	16	\$298,907
2027-28 (12)	\$1,154,561	\$713,608	\$1,868,169	12	\$224,180
2028-29 (13)	\$1,154,561	\$713,608	\$1,868,169	8	\$149,454
2029-30 (14)	\$1,154,561	\$713,608	\$1,868,169	4	\$74,727
2030-31 (15)	\$0	\$0	\$0	0	\$0
				Total	\$7,099,042

The four possible district combinations after 14 years after merger would yield a total additional incentive aid as follows: All three district, \$8,961,175; Elizabethtown-Lewis/Westport, \$6,249,465; Elizabethtown-Lewis/Willsboro, \$7,099,042; and, Westport/Willsboro, \$4,573,843.



Table 11.8
Incentive Operating Aid – Westport and Willsboro

Year	Westport 2006-07 Operating Aid	Willsboro 2006-07 Operating Aid	Combined 2006-07 Operating Aid	IOA %	Incentive Operating Aid
2016-17 (1)	\$490,035	\$713,608	\$1,203,643	40	\$481,457
2017-18 (2)	\$490,035	\$713,608	\$1,203,643	40	\$481,457
2018-19 (3)	\$490,035	\$713,608	\$1,203,643	40	\$481,457
2019-20 (4)	\$490,035	\$713,608	\$1,203,643	40	\$481,457
2020-21 (5)	\$490,035	\$713,608	\$1,203,643	40	\$481,457
2021-22 (6)	\$490,035	\$713,608	\$1,203,643	36	\$433,311
2022-23 (7)	\$490,035	\$713,608	\$1,203,643	32	\$385,166
2023-24 (8)	\$490,035	\$713,608	\$1,203,643	28	\$337,020
2024-25 (9)	\$490,035	\$713,608	\$1,203,643	24	\$288,874
2025-26 (10)	\$490,035	\$713,608	\$1,203,643	20	\$240,729
2026-27 (11)	\$490,035	\$713,608	\$1,203,643	16	\$192,583
2027-28 (12)	\$490,035	\$713,608	\$1,203,643	12	\$144,437
2028-29 (13)	\$490,035	\$713,608	\$1,203,643	8	\$96,291
2029-30 (14)	\$490,035	\$713,608	\$1,203,643	4	\$48,146
2030-31 (15)	\$0	\$0	\$0	0	\$0
				Total	\$4,573,843

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:

- 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.
- 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 long term financial 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.

- 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 the additional incentive operating aid a merger of school districts might receive, it is important to compare the current tax rates of each district and to calculate the impact of the additional incentive operating aid on each district's current tax rate. This impact on the districts' tax rates can be seen in Table 11.9-11.12.

Most districts that merge expect to apply some percentage of this incentive operating aid to reduce and stabilize the local tax rate. In most of the merger studies we have done, we typically recommend that the new district begins by considering that approximately one-third of the incentive operating aid be used for this purpose and then adjusting according to local expectations and prudent planning. In Tables 11.9-11.12, we calculated the tax levy (using the 2015-16 fiscal year as a base) as if the districts had merged under all four scenarios.

With no incentive operating aid used, the full value tax rate in a three-district merger this year would have been \$13.40. Next, we applied 1/3 of the incentive operating aid to calculate how this additional revenue would have affected the 2015-16 tax levy. Had this actually occurred, the additional incentive operating aid would have lowered the full-value tax rate in the merged district from \$13.40 to \$13.05. We compared this reduced tax rate to the actual tax rates for 2015-16 (Elizabethtown-Lewis, \$14.14; Westport \$15.06; and Willsboro, \$12.07). It is apparent that if the districts had combined into one district in 2015-16 and 1/3 of the incentive operating aid the merged district received was applied to the tax levy, residents of two districts (Elizabethtown-Lewis and Westport) would have experienced tax relief....however the residents of Willsboro would have seen a tax rate increase. The true value tax rate would have gone down in Elizabethtown-Lewis from \$14.14 to \$13.05 (-7.8%) and in Westport from \$15.06 to \$13.05 (-13.3%); however the tax rate in Willsboro would have gone up from \$12.07 to \$13.05 (+8.1%).

The last three rows of table 11.9 show that, to reach the actual lowest tax rate of the three districts in 2015-16 (that of Willsboro, \$12.07), the merged district would need



\$1,212,318 in additional aid. This represents 129% of the incentive operating aid that the merger would generate in the first year following reorganization.

Table 11.9			
Impact of Incentive Operating Aid for Elizabethtown-Lewis, Westport, & Willsboro-2015-16			
	2006-07 Base Aid	2015-16 Levy	
Elizabethtown-Lewis	\$1,154,561	\$3,619,525	
Westport	\$490,035	\$3,468,676	
Willsboro	\$713,608	\$5,141,119	
Total	\$2,358,204	\$12,229,320	
Additional 40% IOA-each of 1 st 5 years		\$943,282	
33.3% Incentive Aid-each of 1 st 5 years		\$314,113	
40% Incentive Aid-each of 1 st 5 years		\$377,313	
50% Incentive Aid-each of 1 st 5 years		\$471,641	
Total Levy Less 33.3% Incentive Operating Aid		\$11,915,207	
Total Levy Less 40% Incentive Operating Aid		\$11,882,007	
Total Levy Less 50% Incentive Operating Aid		\$11,757,679	
Elizabethtown-Lewis Taxable Full Value		\$255,935,107	
Westport Taxable Full Value		\$230,860,106	
Willsboro Taxable Full Value		\$425,963,820	
Combined Taxable Full Value		\$912,759,033	
Full Value Tax Rate with 0% of Incentive Operating Aid Applied		\$13.40	
Full Value Tax Rate with 33.3% of Incentive Operating Aid Applied		\$13.05	
Full Value Tax Rate with 40% Incentive Operating Aid Applied		\$13.02	
Full Value Tax Rate with 50% Incentive Operating Aid Applied		\$12.88	
Elizabethtown-Lewis 2015-16			\$14.14
Westport 2015-16 True Tax Rate			\$15.06
Willsboro 2015-16 True Tax Rate			\$12.07
Actual 2015-16 Total Tax Levy for Merged District			\$12,229,320
Levy Needed to get to tax rate of \$12.07			\$11,017,002
Amount/Percent of Incentive Operating Aid to Reach Needed Levy			\$1,212,318/129%

Clearly, as table 11.9 demonstrates, there is not enough incentive aid from a three-district merger to be applied for all residents of the merged districts to realize a tax benefit. In this instance it is highly unlikely that the homeowners of Willsboro would see



a financial benefit to joining with Elizabethtown-Lewis and Westport to form a new centralized school district. We now present a similar analysis for the three two-district potential combinations.

Table 11.10			
Impact of Incentive Operating Aid for Elizabethtown-Lewis & Westport-2015-16			
	2006-07 Base Aid	2015-16 Levy	
Elizabethtown-Lewis	\$1,154,561	\$3,619,525	
Westport	\$490,035	\$3,468,676	
Total	\$1,644,596	\$7,088,201	
Additional 40% IOA-each of 1 st 5 years		\$657,838	
33.3% Incentive Aid-each of 1 st 5 years		\$219,060	
40% Incentive Aid-each of 1 st 5 years		\$263,135	
50% Incentive Aid-each of 1 st 5 years		\$328,919	
Total Levy Less 33.3% Incentive Operating Aid		\$6,869,141	
Total Levy Less 40% Incentive Operating Aid		\$6,825,066	
Total Levy Less 50% Incentive Operating Aid		\$6,759,282	
Elizabethtown-Lewis Taxable Full Value		\$255,935,107	
Westport Taxable Full Value		\$230,860,106	
Combined Taxable Full Value		\$486,795,213	
Full Value Tax Rate with 0% of Incentive Operating Aid Applied		\$14.56	
Full Value Tax Rate with 33.3% of Incentive Operating Aid Applied		\$14.11	
Full Value Tax Rate with 40% Incentive Operating Aid Applied		\$14.02	
Full Value Tax Rate with 50% Incentive Operating Aid Applied		\$13.89	
Elizabethtown-Lewis 2015-16 True Tax Rate		\$14.14	
Westport 2015-16 True Tax Rate		\$15.06	
Actual 2015-16 Total Tax Levy for Merged District		\$7,088,201	
Levy Needed to get to tax rate of \$14.14		\$6,883,284	
Amount/Percent of Incentive Operating Aid to Reach Needed Levy		\$204,917/31.2%	

Table 11.10 shows the calculations for a merged Elizabethtown-Lewis and Westport merged district to achieve zero tax increase this current year if the districts had merged and used some incentive aid to offset any tax increase. In summary, \$204,917 or 31.2% of the first year's incentive aid would be necessary to achieve a tax rate of \$14.14



or the same rate as residents of Elizabethtown-Lewis are paying this year. This percentage of additional use makes it feasible to consider this combination. This would also result in a tax decrease for the residents of Westport from \$15.06 to \$14.14.

The following table (11.11), does a similar calculation of tax rate impact assuming Elizabethtown-Lewis and Willsboro had merged this year.

Table 11.11			
Impact of Incentive Operating Aid for Elizabethtown-Lewis & Willsboro-2015-16			
	2006-07 Base Aid	2015-16 Levy	
Elizabethtown-Lewis	\$1,154,561	\$3,619,525	
Willsboro	\$713,608	\$5,141,119	
Total	\$1,868,169	\$8,760,644	
Additional 40% IOA-each of 1 st 5 years		\$747,268	
33.3% Incentive Aid-each of 1 st 5 years		\$248,840	
40% Incentive Aid-each of 1 st 5 years		\$298,907	
50% Incentive Aid-each of 1 st 5 years		\$373,634	
Total Levy Less 33.3% Incentive Operating Aid		\$8,511,804	
Total Levy Less 40% Incentive Operating Aid		\$8,461,737	
Total Levy Less 50% Incentive Operating Aid		\$8,387,010	
Elizabethtown-Lewis Taxable Full Value		\$255,935,107	
Willsboro Taxable Full Value		\$425,963,820	
Combined Taxable Full Value		\$681,898,927	
Full Value Tax Rate with 0% of Incentive Operating Aid Applied		\$12.85	
Full Value Tax Rate with 33.3% of Incentive Operating Aid Applied		\$12.48	
Full Value Tax Rate with 40% Incentive Operating Aid Applied		\$12.41	
Full Value Tax Rate with 50% Incentive Operating Aid Applied		\$12.30	
Elizabethtown-Lewis 2015-16 True Tax Rate			\$14.14
Willsboro 2015-16 True Tax Rate			\$12.07
Actual 2015-16 Total Tax Levy for Merged District			\$8,760,644
Levy Needed to get to tax rate of \$12.07			\$8,230,522
Amount/Percent of Incentive Operating Aid to Reach Needed Levy			\$530,122/70.9%

As the above table shows, it would have taken \$530,122 or 70.9% of the incentive operating aid this year had Elizabethtown-Lewis and Willsboro centralized to ensure no



taxpayer in the current Willsboro saw a tax increase. This is a very high percentage of the incentive aid that would have to be used for this purpose. Therefore depending on other potential financial savings that could be realized, this might be a difficult combination of districts to convince Willsboro residents of any financial benefit.

We will now calculate the tax impact of incentive aid on a possible merger of Westport and Willsboro in Table 11.12.

Table 11.12			
Impact of Incentive Operating Aid for Westport & Willsboro-2015-16			
	2006-07 Base Aid	2015-16 Levy	
Westport	\$490,035	\$3,468,676	
Willsboro	\$713,608	\$5,141,119	
Total	\$1,203,643	\$8,609,795	
Additional 40% IOA-each of 1 st 5 years		\$481,457	
33.3% Incentive Aid-each of 1 st 5 years		\$160,326	
40% Incentive Aid-each of 1 st 5 years		\$192,583	
50% Incentive Aid-each of 1 st 5 years		\$240,729	
Total Levy Less 33.3% Incentive Operating Aid		\$8,449,469	
Total Levy Less 40% Incentive Operating Aid		\$8,417,212	
Total Levy Less 50% Incentive Operating Aid		\$8,369,066	
Westport Taxable Full Value		\$230,860,106	
Willsboro Taxable Full Value		\$425,963,820	
Combined Taxable Full Value		\$656,823,926	
Full Value Tax Rate with 0% of Incentive Operating Aid Applied		\$13.11	
Full Value Tax Rate with 33.3% of Incentive Operating Aid Applied		\$12.86	
Full Value Tax Rate with 40% Incentive Operating Aid Applied		\$12.82	
Full Value Tax Rate with 50% Incentive Operating Aid Applied		\$12.74	
Westport 2015-16 True Tax Rate			\$15.06
Willsboro 2015-16 True Tax Rate			\$12.07
Actual 2015-16 Total Tax Levy for Merged District			\$8,609,795
Levy Needed to get to tax rate of \$12.07			\$7,927,865
Amount/Percent of Incentive Operating Aid to Reach Needed Levy			\$681,930/142%

As can be seen, due to the large tax rate spread between these two districts, it would have taken \$681,930 to be applied to the combined tax levy to lower the tax rate to



Willsboro's actual rate of \$12.07 this year. This amount of money greatly exceeds the additional incentive operating aid a merged district would have received. Consequently, it is very unlikely that this merger combination would be approved by residents of Willsboro on a tax benefit basis.

Tables 9.9-9.12 shows the percentage of incentive operating aid that must be applied to the following merger combinations in order for all districts in the merger to have a tax rate that was either equal to or less than the tax rate that the particular district had prior to the merger. It is clear that from a tax benefit perspective, that an Elizabethtown-Lewis and Westport merger would be the most feasible; an Elizabethtown-Lewis and Willsboro merger could possibly work financially; however, a three-district or Westport/Willsboro merger are highly unlikely to be feasible due to financial considerations.



Chapter 12

Community Compatibility

Neighboring school districts can many times be quite compatible and at other times less so. In instances where merger has been successful, to some degree, the success was due to this compatibility factor. Unfortunately however, the “compatibility” of two or more communities is difficult to measure. In an attempt to judge this, some indicators were examined including basic demographics, the existence of area youth athletic leagues or scouting activities that include children from several communities, common shopping areas where adults from both districts make purchases, churches that serve each of the school attendance areas, etc. Clearly geography impacts this compatibility factor. Review of State Education Department and Census data, as well as, interviews with the district superintendents probed these indicators for both districts and are shown in the following table.

Neighboring school districts can many times be quite compatible and at other times less so. In instances where merger has been successful, to some degree it is due to this compatibility factor



Table 12.1 Community Characteristics			
Characteristic	Elizabethtown-Lewis	Westport	Willsboro
Total Households	1,051	558	1,070
Households w/one or more people under 18	25.8%	26.2%	22.4%
Households w/one or more people over 65	12.8%	16.8%	13.7%
Average family size	2.36	3.04	2.76
Population 25+ as high school graduate	34.5%	39.8%	40.2%
Population 25+ with bachelor's degree or higher	11.6%	12.9%	13.1%
Percent below the poverty line	10.5%	15.1%	9.5%
Economically Disadvantaged**	51%	49%	52%
White**	96%	95%	98%
Annual Attendance Rate*	94%	94%	96%
Student Suspensions*	1%	1%	1%
Combined Wealth Ratio	.913	1.215	1.784
Adjusted Gross Income/ Total Wealth Pupil Units	\$115,232	\$114,499	\$241,665
Property Wealth/Total Wealth Pupil Units	\$714,213	\$997,073	\$1,289,040
NOTE: *The first seven characteristics listed above from were taken from the American Community Survey 2014 for each school district housed by the U. S. Census Bureau. **These data were taken from the 2014-15 district report cards.			

All three school districts are characterized as rural communities. Elizabethtown-Lewis serves as the county seat and has the gas stations, auto dealers, and grocery stores that are frequented by Westport residents also. In addition, the Kiwanis clubs in ELCS and Westport share members and meetings. Willsboro and Elizabethtown-Lewis school districts are similar in the number of residents while Westport is approximately half their size. All three districts are similar in terms of the overall age distribution of residents, educational attainment of residents, and economic disadvantage. Similarly, all three districts are very much alike in terms of the racial make-up of the student body, annual attendance rates, and school suspension rates. Willsboro is a wealthier community than both Elizabethtown-Lewis or Westport as seen by a comparison of combined wealth ratios, adjusted gross income per student, and property wealth per student.



There is an overlap of students from all three districts, but primarily those in Elizabethtown-Lewis and Westport. During the current school year ELCS and Westport have combined athletic teams in the following sports-soccer, softball, baseball (which has also been offered to Willsboro), and track and field (also including Keene and Moriah). Westport and Elizabethtown-Lewis also share a Youth Council and rescue squad. Youth in both Elizabethtown-Lewis and Westport have shared 4-H clubs.

In short, there appears to be considerable similarity among the three districts with some differences that may influence a potential merger of the three, such as wealth variation. It appears as if there is already considerable overlap of residents, youth, and students, particularly those of Elizabethtown-Lewis and Westport.



Chapter 13

Final Considerations

In examining the merger of school districts in New York State, there is one factor that simply has not been overcome when school districts are considering a merger. If the amount of incentive operating aid that is received by the merged district is not sufficient to have the tax rate of the higher taxing district reduced to at least the rate of the lower taxing district, the chances of a successful merger are minimal at best. In examining the incentive operating aid for these three districts, we find that there is really only one option for merger that seems feasible from a tax rate standpoint, the merger of the Elizabethtown-Lewis and Westport Central School Districts. Using the generally accepted rule of thumb that approximately 33.3% of the incentive operating aid should be devoted to tax equalization and stabilization, the following are the projected amounts of incentive operating aid needed for tax stabilization:

- ✓ Elizabethtown-Lewis & Westport=31.2%
- ✓ Elizabethtown-Lewis & Willsboro=70.9%
- ✓ Elizabethtown-Lewis & Westport & Willsboro=129%
- ✓ Westport & Willsboro=142%

It is remotely possible that more in depth analysis of all data could create a scenario where a merger of Elizabethtown-Lewis and Willsboro could work even though the amount of incentive operating aid initially appears to be high. However, should this option be further explored, discussion will quickly turn to the debt service currently faced by Willsboro as well as the fact that the distance from Elizabethtown-Lewis to Willsboro is double the distance from Elizabethtown-Lewis to Westport.

In addition to the tax impact, the other primary factor in predicting potential merger success is the financial soundness of the districts. Table 13.1 that follows examines this data for the study districts and shows that each district has planned well for the fiscal challenges that are ahead.



Table 13.1 Financial Soundness Factors for the Districts			
	Elizabethtown-Lewis	Westport	Willsboro
Total Debt Service thru 2030-31	\$2,734,574	\$2,595,054	\$10,561,849
Current Building Aid Ratio	.693	.653	.520
Local Share of Debt Service*	\$839,514	\$900,484	\$5,069,688
Restricted Fund Balance	\$863,228	\$733,372	\$1,279,722
Unassigned Fund Balance	\$851,780	\$376,780	\$1,311,524
*This is an approximation for all capital projects are given varying state aid reimbursement rates based on a variety of factors.			

In addition to meeting the threshold standard of acceptable tax rates, there are other factors that might be considered by the districts. Some potential advantages and disadvantages are now considered. In creating this listing, it should be noted that an advantage for one person *might* be perceived to be a disadvantage for another person and vice versa.

Advantages:

1. A merger would lessen the impact of the declining enrollment that is currently occurring in all three districts;
2. A larger high school would increase the probability that program reductions would not occur in the future because of low enrolled classes;
3. More course options would be available to the high school students of a merged district;
4. More extra-curricular opportunities would be available to the students of a merged district;
5. Because of the incentive operating aid associated with a merger, it is quite possible to add additional programs for the students in a merged district; and,
6. Because of the incentive operating aid associated with a merger, it is quite possible to have property taxes go down in some merger scenario(s).

Disadvantages:

1. With a larger merged high school, there will be more competition for meaningful playing time on the school athletic teams;
2. The geographical area of a merged school district will be fairly large;



3. Some middle school and high school students will probably have a longer bus ride to get to and from school each day.

In summary, the merging of school districts is a very complex undertaking. While there may be numerous benefits that accrue to the students and taxpayers of a merged district, always present are the emotional attachments that exist with the identity, the traditions, and the community center that schools represent for many people.

Nevertheless, given the analysis of the data that is contained in this study, it appears that a merger of the Elizabethtown-Lewis and Westport Central School Districts might prove to be beneficial for the students and the taxpayers of both districts.