

**Middleburgh**  
CENTRAL SCHOOL DISTRICT



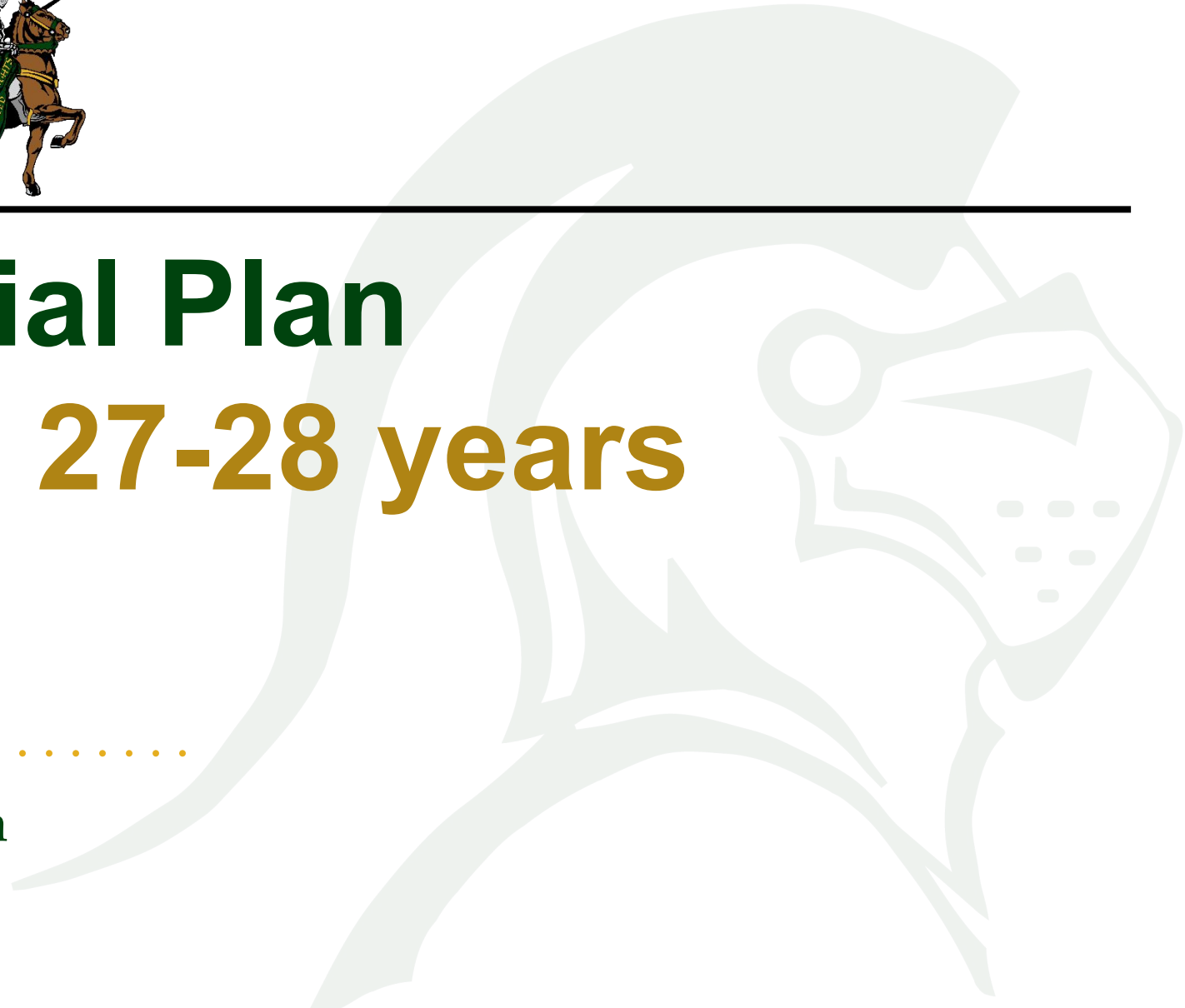
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# **3-Year Financial Plan**

## **25-26 through 27-28 years**

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**Board of Education Presentation**  
**December 11, 2024**



# What is/Why a Multi-Year Financial Plan?



Per the NYS Office of the State Comptroller

- ▶ “Allows decision makers to set long-term priorities & work towards goals, rather than making choices based only on the needs and politics of the moment.
- ▶ Projects Revenues & expenditures for years into the future - illustrates what will happen to a government’s ability to pay for and provide services, given a set of policy & economic assumptions.
- ▶ A plan can help identify & manage potential fiscal difficulties before crises emerge. Fiscal stability & responsibility are critical aspects to ensure the success of a school district.
- ▶ Further enhances the transparency of the District’s fiscal decisions”

***Can we continue on the path we are on?***

***What would the impact be if...?***



## BOARD OF EDUCATION GOALS

### Goal 1

**THE BOARD OF EDUCATION WILL PRESENT ANNUAL SCHOOL BUDGETS THAT PROVIDE A QUALITY INSTRUCTIONAL PROGRAM.**

- Educationally sound and fiscally responsible
- Pursuing and maximizing State and local aid, as well as grant opportunities
- Optimizing the use of shared services with other governmental entities where cost-effective



# Student Enrollment Data



Grade Level	as of 2024/2025 BEDS Day	2025/2026 Projected	2026/2027 Projected	2027/2028 Projected	2024/2025 Teacher:Student Ratio Actual	2027/2028 Teacher:Student Ratio Projected
UPK	33	32	35	35	1:18	1:18
Kindergarten	32	34	35	35	1:18	1:18
1st-3rd Grade	135	120	111	101	1:15	1:22
4th-6th Grade	129	127	129	135	1:15	1:22
7th-8th Grade	85	92	90	81	1:18	1:18
9-11th Grade	150	147	147	133	1:18	1:18
12th Grade	51	44	44	62	1:20	1:20
Out of District Placements	24	22	22	22		
<b>Total Students</b>	<b>656</b>	<b>618</b>	<b>613</b>	<b>604</b>	<b>1:18</b>	<b>1:18</b>

# Bargaining Units



MCS Teachers' Association (+4.0% if off-step)	Expires	6/30/2028	Varies
MCS Related Professional Assn	Expires	6/30/2027	+4.0%
MCS Administrator's Assn	Expires	6/30/2028	+4.0%
MCS Management Confidential	Expires	6/30/2026	+4.5%
School Business Official	Expires	6/30/2028	+4.0%
Superintendent of Schools	Expires	6/30/2028	+4.0%

*All have % salary increase through expiration date*

# Active Employee Data



Bargaining Unit/ Employee Contract	Current Number of Employees	Number of Employees w/30 years Service at 6/30/2025*	Number of Employees w/30 years Service at 6/30/2028*^	Number of Employees at age 55 by 6/30/2025^	Number of Employees at age 55 by 6/30/2028^
<b>MCSTA</b>	80	9	14	12	20
<b>MCSRPA</b>	64	0	2	24	30
<b>MCSAA</b>	3	1	1	1	1
<b>MCS Man-Con</b>	4	0	0	4	4
<b>Supt &amp; Bus. Mngr.</b>	2	0	1	0	1
<b>Total Number of Employees</b>	<b>153</b>	<b>10</b>	<b>18</b>	<b>41</b>	<b>56</b>

Projections in chart based on active employees 11/20/2024

\* Based on employee hire date

^includes number of employees from the 2025 column

# Grant Allocations & FTE Information



Federal Grant	2024/2025 Allocation Amount*	Number of FTEs covered in Grant	Amount of Salary in Grant	Amount of Fringe Benefits in Grant	Total Payroll Costs in Grant	Percent (%) of PR Cost - Grant Budget
<b>Title IA</b>	\$179,548	2.71	\$176,434	\$0	\$176,434	98.27%
<b>Title IIA</b>	\$24,620	0.12	\$6,607	\$0	\$6,607*	29.64%*
<b>Title IV</b>	\$14,704	0.17	\$10,029	\$0	\$10,029	68.21%
<b>IDEA 611</b>	\$247,749	3.64	\$247,749	\$0	\$247,749	100.00%
<b>IDEA 619</b>	\$11,698	0.50	\$11,610	\$88	\$11,698	100.00%
<b>Univ. Pre-K (State Grant)</b>	\$243,236	2.80	\$131,854	\$45,012	\$176,866	72.71%
<b>Totals</b>	<b>\$721,555</b>	<b>9.94 FTE</b>	<b>\$584,283</b>	<b>\$45,100</b>	<b>\$629,383</b>	<b>87.23%</b>

Assumption for 3 year financial plan - grant funding to remain throughout 2028

-Grant funding to supplement, not supplant

\*Title IIA - there are also \$10,000 set-aside for Teacher Leader stipends & \$4,000 set-aside for Teacher Mentor stipends. If we included the \$14,000 to the above chart, the payroll amount in grant would go to \$598,283, or 89.17% of payroll costs in total grant budget.

# Total Fund Balance as of June 30, 2024



## Restricted Fund Balance (Reserves) Breakdown:

per audited Financial Statements:

Restricted Fund Balance,	\$6,359,239
Assigned Appropriated,	\$ 921,815
Assigned Unappropriated,	\$ 145,944
Unassigned Unappropriated, (7.99%)	<u>\$ 1,989,971</u>
 Total Fund Balance,	 \$9,416,969

Name	2024	July 1
Unemployment	\$	155,884.72
Insurance	\$	264,195.44
Liability & Property Loss	\$	211,356.46
Worker's Compensation	\$	158,517.29
Capital Reserve (2023) - Projects	\$	2,028,390.98
Capital Reserve (2024) - Buses	\$	1,500,000.00
Repair	\$	411,356.39
Employee Benefits	\$	541,239.49
Retirement - TRS	\$	605,448.88
Retirement - ERS	\$	482,849.32
<b>Grand Total</b>	<b>\$</b>	<b>6,359,238.96</b>



# 3 Year Financial Plan Statement

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All items in this forecast are meant to highlight future budget scenarios based on the current financial information that will impact our budgets. The budget increases are realistic as are the changes in revenue. The forecast reflects, past, present and estimates future budget performance. This report's purpose is to be a reference tool for the development of the 2025/2026 school year.

The purpose of this report is to become aware of how current budget decisions impact future budgets. This year's long-range plan addresses and includes information on projected increases as well as the impact of inflation on major budget categories. It is important to state that this annual 3 year financial plan is meant to remind us that we must always plan for the future.

# State Aid Projections through 2028



State Aid Categories	2023/2024 Actual	2024/2025 Projected	2025/2026 Projected	2026/2027 Projected	2027/2028 Projected
Foundation Aid	\$ 8,507,756	\$ 8,507,756	\$ 8,507,756	\$ 8,507,756	\$ 8,507,756
Instructional Materials Aid	\$ 59,960	\$ 57,565	\$ 57,111	\$ 57,382	\$ 57,672
Excess Cost Aids	\$ 266,310	\$ 200,688	\$ 215,000	\$ 240,000	\$ 230,000
BOCES & Transportation Aid	\$ 2,367,943	\$ 2,237,634	\$ 2,301,094	\$ 2,290,000	\$ 2,295,000
Building Aid	\$ 1,378,900	\$ 1,387,992	\$ 1,108,656	\$ 1,119,700	\$ 1,122,600
Other State Aid	\$ 252,369	\$ 327,920	\$ 300,000	\$ 300,000	\$ 300,000
<b>Total State Aid</b>	<b>\$12,833,238</b>	<b>\$12,719,555</b>	<b>\$12,489,617</b>	<b>\$12,514,838</b>	<b>\$12,513,028</b>
<b>LESS Save Harmless Amount</b>			<b>\$10,575,806</b>	<b>\$10,601,027</b>	<b>\$10,599,217</b>

### Assumptions

**Foundation Aid** remains flat through 2028 (Less Harmless amount, \$1,913,811)

**Excess Cost Aid** - based on current & projected placements & threshold increase of 5% each year

**Building Aid** - based on current/projected debt payments

**Instructional Materials Aid**- based on current & projected enrollments

**BOCES & Transportation Aid** - based on current & historical costs/using current aid ratio

**Other State Aid** - High Tax Aid and/or prior year 4408 reimbursements less deducts for education of students (i.e., students placed by county in foster care, residential student costs, etc.) or other deducts (i.e. COVID aid take back)

# Estimated Revenues through 2028



Revenue Categories	2023/2024 Actual	2024/2025 Projected	2025/2026 Projected	2026/2027 Projected	2027/2028 Projected
State & Federal Aid	\$ 13,014,269	\$ 12,799,555	\$12,549,617	\$12,574,838	\$12,573,028
Tax Levy	\$ 10,255,762	\$ 10,409,598	\$ 10,565,742	\$10,724,228	\$ 10,885,091
PILOT	\$20,131	\$15,698	\$16,653	\$17,609	\$18,564
Interest & Earnings	\$334,815	\$ 355,000	\$285,000	\$260,000	\$250,000
Other Revenues	\$795,630	\$697,658	\$700,000	\$700,000	\$700,000
Appr. Fund Balance	\$0	\$0	\$0	\$ 0	\$ 0
Appr. Reserves	\$0	\$0	\$230,000	\$240,000	\$245,000
<b>Total Estimated Revenues</b>	<b>\$24,420,607</b>	<b>\$24,277,509</b>	<b>\$24,347,012</b>	<b>\$24,516,675</b>	<b>\$24,671,683</b>
<b>LESS Save Harmless Amount, -\$1,913,811</b>			<b>\$22,433,201</b>	<b>\$22,602,864</b>	<b>\$22,757,872</b>

## Assumptions

**State Aid** see previous slide

**Tax Levy** - 1.5% increase each year

**Payment in Lieu of Taxes (PILOT)**- based formula/on \_\_ units constructed but not sold - each year (using 2 units)

**Interest & Earnings**- assuming rate will decrease over time

**Other Revenues**- BOCES reimbursements for CVLA, distance learning, refund prior yr, etc.

**Appropriated Fund Balance** - amount allocated as a revenue source for next year's school budget (for forecast, not applying as revenue)

**Appropriated Reserves** - currently, 3 reserves are appropriated to fund the budget (ERS, TRS, & Workers Compensation Reserves) - same reserves based on the projected liability for that year



# Employer Contribution Rates - Pension Costs

Retirement Benefit	2023/2024 Actual	2024/2025 Actual	2025/2026 Actual	2026/2027 Projected*	2027/2028 Projected*
Employee's Retirement System (ERS) Tiers 3 & 4	14.8%	17.6%	19.3%	20.5%	21.2%
ERS - Tier 5	12.8%	15.2%	16.3%	17.1%	17.9%
ERS - Tier 6	9.4%	11.2%	12.6%	13.2%	13.9%
All Tiers - Teachers Retirement System (TRS)	9.76%	10.11%	10.00%*	10.30%	10.65%

Assumption - current employees projection through 2028

*\*Projected Rates*



# Fringe Benefits- Projected Costs through 2028

Fringe Benefit	2023/2024 Actual	2024/2025 Projected	2025/2026 Projected	2026/2027 Projected	2027/2028 Projected
<b>Health (Medical, Rx, Vision, Dental) - Employees &amp; Retirees</b>	\$5,259,711	\$4,893,665	\$5,291,063	\$5,750,122	\$6,183,080
<b>Pension (TRS &amp; ERS)</b>	\$ 931,665	\$1,011,979	\$1,054,000	\$1,073,500	\$1,083,450
<b>Workers Comp. Insurance</b>	\$ 64,851	\$ 44,525	\$ 46,750	\$ 49,088	\$ 51,543
<b>FICA (Soc Sec, 6.20%/Medicare, 1.45%)</b>	\$ 684,622	\$702,153	\$725,603	\$741,015	\$760,615
<b>Other (Annuity/Disability/Unemployment)</b>	\$ 16,738	\$ 17,000	\$ 17,500	\$ 18,000	\$ 18,500
<b>Totals</b>	\$6,957,587	\$6,669,322	\$7,134,916	\$7,631,725	\$8,097,188

## Assumptions

**Health** - current # of subscribers/types of plans throughout projections  
 Medical - 10% increase  
 Rx - 15% increase  
 Vision & Dental - 1% increase each year

**Pension** - employer contribution rates (see previous slide)

**Workers Compensation-Insurance** - 5% increase each year

**FICA** - 7.65% of salaries

**Other-** MCSAA/Supt/ Business Manager have an annuity/disability insurance benefit in their agreement

# Projected Expenditures through 2028



Expenditure Categories	2023/2024 Actual	2024/2025 Projected	2025/2026 Projected	2026/2027 Projected	2027/2028 Projected
<b>Salaries</b>	\$8,917,674	\$9,278,466	\$9,485,000	\$9,686,465	\$9,942,675
<b>Benefits</b>	\$6,957,586	\$6,669,322	\$7,134,916	\$7,631,725	\$8,097,188
<b>BOCES Services</b>	\$2,116,696	\$2,253,227	\$2,320,824	\$2,390,449	\$2,462,163
<b>Contractual Services/Tuition</b>	\$2,043,699	\$2,413,261	\$2,485,659	\$2,560,229	\$2,637,036
<b>Materials &amp; Supplies/Software/Textbooks/Equipment</b>	\$698,535	\$665,421	\$685,384	\$705,946	\$727,125
<b>Debt Service</b>	\$2,034,705	\$2,037,647	\$1,773,378	\$1,784,500	\$1,797,000
<b>Inter-Fund Transfers to Other Funds</b>	\$124,562	\$118,494	\$120,000	\$122,500	\$125,000
<b>Total Expenditures</b>	<b>\$22,893,457</b>	<b>\$23,435,838</b>	<b>\$24,005,161</b>	<b>\$24,881,814</b>	<b>\$25,788,187</b>

## Assumptions

**Salaries-** 4% increase across all units

**Benefits** - see Fringe Benefits slide

**BOCES Services** - 3% increase on current services

**Contractual Services/Tuition-** current services with 3% increase

**Materials/Software/Textbooks/Equipment-** current budgeted amount with 3% increase

**Debt Service-** as per debt schedules - principal & interest due on debt (does not include any new debt)

**Interfund Transfers-** Federal Fund - 20% summer handicap programming is local share, \$100K Annual Capital Outlay project

# Projected Revenues v Expenditures



School Year	Actual/Anticipated Revenues	Actual/Anticipated Expenses	Shortfall/ (Deficit)	Less Save Harmless (State Aid, -\$1,913,811)
<b>2023/2024 Actual</b>	\$24,420,607	\$22,893,457	\$1,527,150	
<b>2024/2025 Projected</b>	\$24,277,509	\$23,435,838	\$ 841,671	
<b>2025/2026 Projected</b>	\$24,347,012	\$24,005,161	\$ 341,851	-\$1,571,960
<b>2026/2027 Projected</b>	\$24,516,675	\$24,881,814	-\$ 365,139	-\$2,278,950
<b>2027/2028 Projected</b>	\$24,671,683	\$25,788,187	-\$ 1,116,504	-\$3,030,315

When District has Surpluses:

- Transfer to reserve as per Reserve Plan guidance

When District has Deficit:

- Freeze in budget spending, reduce expenditures = decrease in revenues