

# Long Range Financial Plan



Board of Education Meeting, September 18, 2024



# Key Factors of Long Range Financial Plan

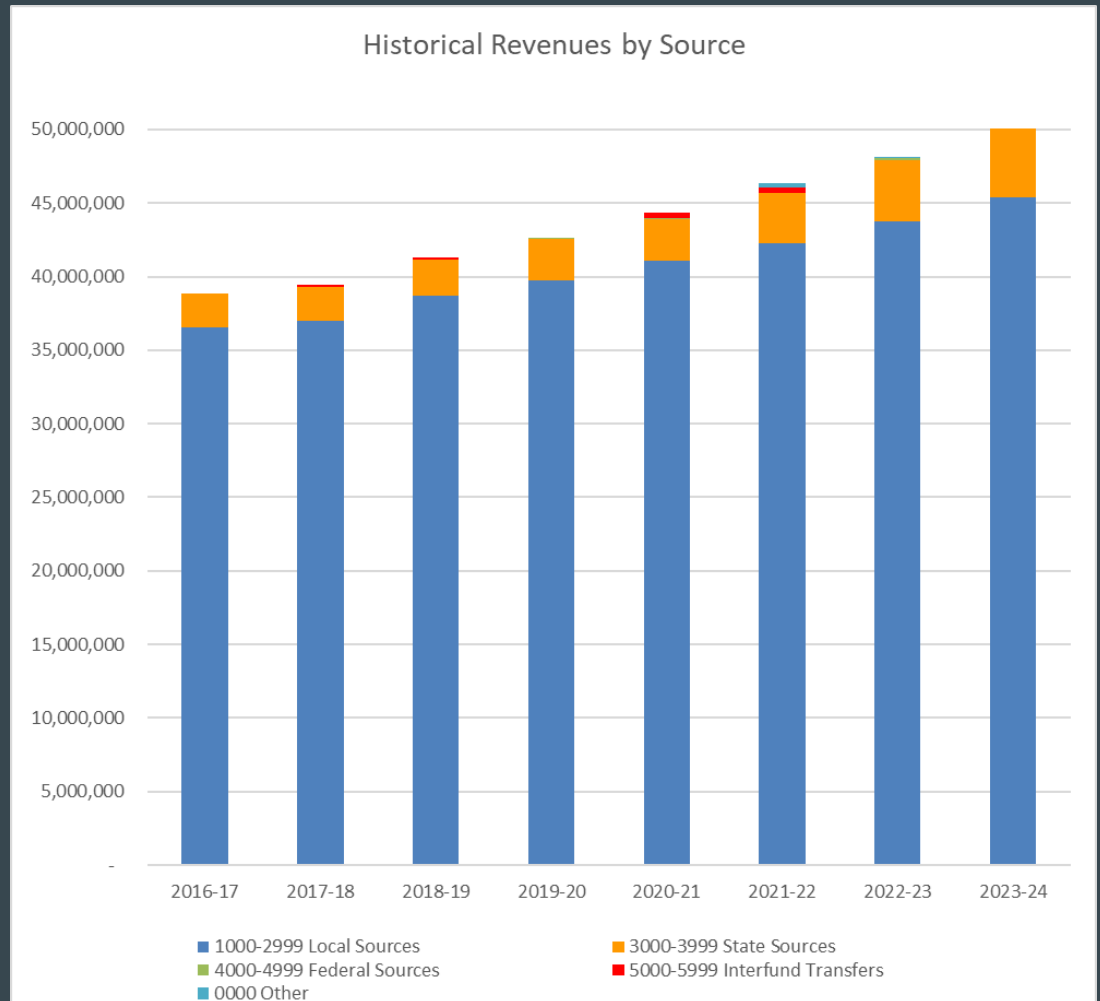
- All assumptions made are at a single point in time.
- Although factors used can and will change, they still provide a basis for financial decision making.
- First year projections are based primarily on the District's 2024-25 budget.
- Enrollment trends may impact staffing in either direction.
- Revenues and expenditures are forecasted and refined as the business office receives more (or more reliable) information.

# Historical Revenues

**Local sources** include the tax levy, sales tax, refund of prior year expenses, and interest

**State sources** represent all state aid

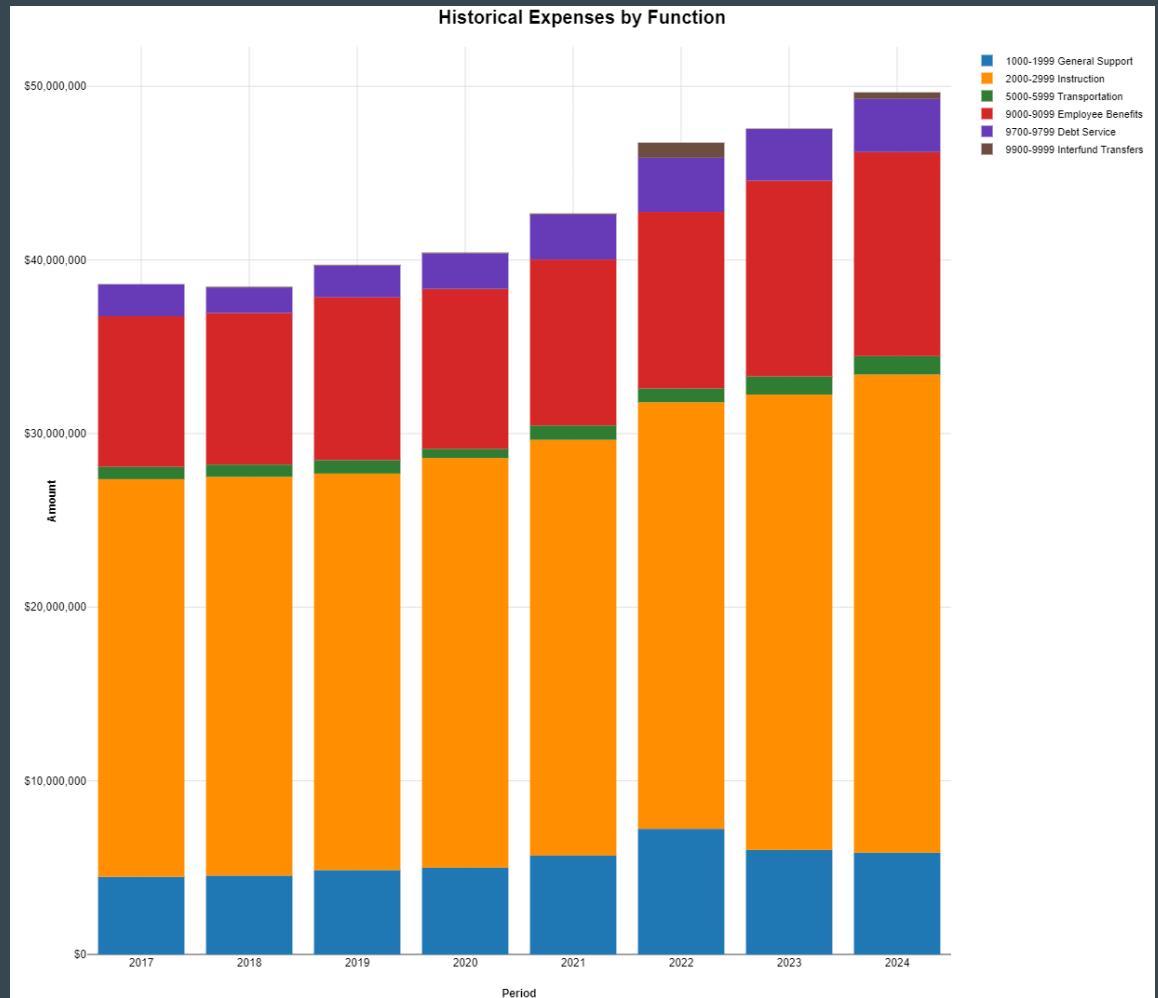
**Interfund transfers** are transfers in from our reserve funds



# Historical Expenses

**Instruction** makes up the majority of expenses as this includes all school level salaries.

**Employee benefits** are the next largest expense category.



# Fund Balance History

## Unassigned:

In each of the year's presented, 4% of the next year's budget

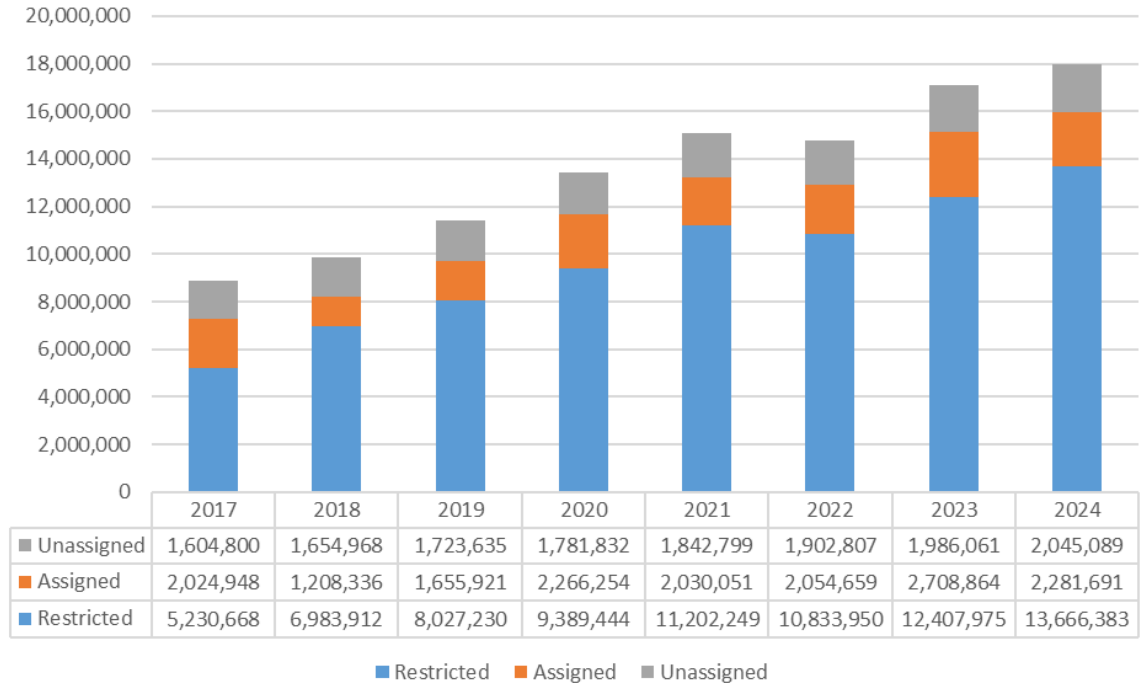
## Assigned:

Appropriated fund balance and carryforward encumbrances

## Restricted:

Reserve funds

Rye Neck Fund Balance History  
For the year ended June 30



# Revenue Projections

- Other local revenues include sales tax and interest

- State aid “Basic” represent Foundation, Excess Cost, Building and Transportation

- “Other” State Aid is BOCES, materials and hardware

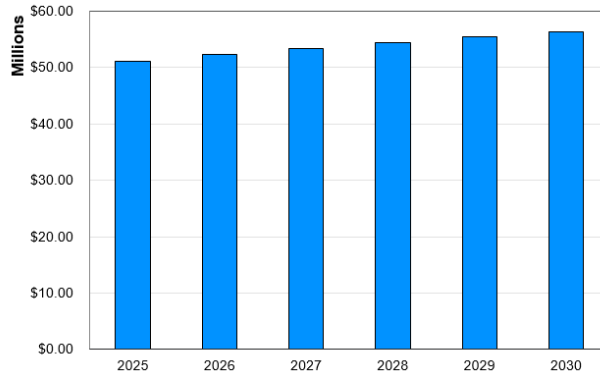
- Other financing sources are transfers in from reserve funds and appropriated fund balance

## General (A) Fund | Revenue Analysis

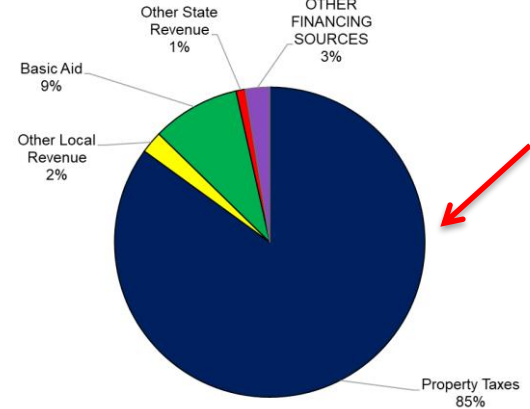
### Long Range Plan - September 2024

	BUDGET			REVENUE PROJECTIONS							
	2025	2026	%Δ	2027	%Δ	2028	%Δ	2029	%Δ	2030	%Δ
<b>LOCAL</b>											
Property Taxes	\$43,459,590	\$44,391,706	2.14%	\$45,351,110	2.16%	\$46,239,083	1.96%	\$47,003,718	1.65%	\$47,736,069	1.56%
Other Local Revenue	1,180,000	1,245,000	5.51%	1,270,000	2.01%	1,300,000	2.36%	1,325,000	1.92%	1,350,000	1.89%
<b>TOTAL LOCAL REVENUE</b>	<b>44,639,590</b>	<b>45,636,706</b>	<b>2.23%</b>	<b>46,621,110</b>	<b>2.16%</b>	<b>47,539,083</b>	<b>1.97%</b>	<b>48,328,718</b>	<b>1.66%</b>	<b>49,086,069</b>	<b>1.57%</b>
<b>STATE</b>											
Basic Aid	4,698,294	4,792,443	2.00%	4,844,892	1.09%	4,953,725	2.25%	5,188,887	4.75%	5,186,825	-0.04%
Other State Revenue	494,339	509,169	3.00%	524,444	3.00%	540,178	3.00%	556,383	3.00%	573,074	3.00%
<b>TOTAL STATE REVENUE</b>	<b>5,192,633</b>	<b>5,301,612</b>	<b>2.10%</b>	<b>5,369,336</b>	<b>1.28%</b>	<b>5,493,903</b>	<b>2.32%</b>	<b>5,745,270</b>	<b>4.58%</b>	<b>5,759,899</b>	<b>0.25%</b>
<b>TOTAL FEDERAL REVENUE</b>	<b>0</b>	<b>0</b>		<b>0</b>		<b>0</b>		<b>0</b>		<b>0</b>	
<b>OTHER FINANCING SOURCES</b>	<b>1,295,000</b>	<b>1,335,000</b>	<b>3.09%</b>	<b>1,360,000</b>	<b>1.87%</b>	<b>1,475,000</b>	<b>8.46%</b>	<b>1,355,000</b>	<b>-8.14%</b>	<b>1,425,000</b>	<b>5.17%</b>
<b>TOTAL REVENUE</b>	<b>\$51,127,223</b>	<b>\$52,273,318</b>	<b>2.24%</b>	<b>\$53,350,446</b>	<b>2.06%</b>	<b>\$54,507,986</b>	<b>2.17%</b>	<b>\$55,428,988</b>	<b>1.69%</b>	<b>\$56,270,968</b>	<b>1.52%</b>

Revenue Projection



Current Year Budgeted Revenues by Source



# Tax Cap Planning

- In the tax cap calc, assumptions include growth factors, CPI and projected principal and interest on debt and the related building aid

- The forecast assumes levying up to the allowable tax cap each year

	BUDGET		PROJECTIONS			
	2025	2026	2027	2028	2029	2030
<b>Tax Levy Limit (Cap) Before Exclusions</b>						
Tax Levy Prior Year	\$42,526,808	\$43,459,590	\$44,391,706	\$45,351,110	\$46,239,083	\$47,003,718
Prior Year Reserve Offset	\$0	\$0	\$0	\$0	\$0	\$0
Reserve Amount	\$0	\$0	\$0	\$0	\$0	\$0
<b>Tax Base Growth Factor</b>	<b>1.0025</b>	<b>1.0025</b>	<b>1.0025</b>	<b>1.0025</b>	<b>1.0025</b>	<b>1.0025</b>
PILOTs Receivable Prior Year	\$0	\$0	\$0	\$0	\$0	\$0
Tort/ Judgement Exclusion Prior Year	\$0	\$0	\$0	\$0	\$0	\$0
Capital Tax Levy for Prior Year	\$2,271,745	\$2,284,995	\$2,282,797	\$2,286,824	\$2,284,221	\$2,228,131
<b>Allowable Levy Growth Factor</b>	<b>1.0200</b>	<b>1.0200</b>	<b>1.0200</b>	<b>1.0180</b>	<b>1.0160</b>	<b>1.0140</b>
PILOTs Receivable Current FYE	\$0	\$0	\$0	\$0	\$0	\$0
Available Carryover from Prior FYE	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Levy Limit Before Exclusions</b>	<b>\$41,168,608</b>	<b>\$42,108,909</b>	<b>\$43,064,286</b>	<b>\$43,954,862</b>	<b>\$44,775,587</b>	<b>\$45,521,600</b>
<b>Exclusions</b>						
Tax Levy Necessary for Expenditures Resulting from Tort Judgements Over 5%	\$0	\$0	\$0	\$0	\$0	\$0
<b>Capital Levy for Current Year</b>	<b>\$2,284,995</b>	<b>\$2,282,797</b>	<b>\$2,286,824</b>	<b>\$2,284,221</b>	<b>\$2,228,131</b>	<b>\$2,214,469</b>
ERS contribution increase greater than 2%	\$3,621	\$0	\$0	\$0	\$0	\$0
TRS contribution increase greater than 2%	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Exclusions</b>	<b>\$2,288,616</b>	<b>\$2,282,797</b>	<b>\$2,286,824</b>	<b>\$2,284,221</b>	<b>\$2,228,131</b>	<b>\$2,214,469</b>
<b>Tax Levy Limit, Adjusted For Transfers, Plus Exclusions</b>	<b>\$43,457,224</b>	<b>\$44,391,706</b>	<b>\$45,351,110</b>	<b>\$46,239,083</b>	<b>\$47,003,718</b>	<b>\$47,736,069</b>
Reserve Amount Used to Reduce Current Year Levy	\$0	\$0	\$0	\$0	\$0	\$0
Proposed Levy for Current Year, Net of Reserve \$	\$43,459,590	\$44,391,706	\$45,351,110	\$46,239,083	\$47,003,718	\$47,736,069
OR Proposed Levy for Current Year, Net of Reserve %	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>
<b>CURRENT FYE PROPOSED LEVY, \$ entry</b>	<b>\$43,459,590</b>	<b>\$44,391,706</b>	<b>\$45,351,110</b>	<b>\$46,239,083</b>	<b>\$47,003,718</b>	<b>\$47,736,069</b>
<b>CURRENT FYE PROPOSED LEVY, % entry</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
CURRENT FYE PROPOSED LEVY, NET OF RESERVE %	2.19%	2.14%	2.16%	1.96%	1.65%	1.56%
<b>TAX LEVY LIMIT %</b>	<b>2.19%</b>	<b>2.14%</b>	<b>2.16%</b>	<b>1.96%</b>	<b>1.65%</b>	<b>1.56%</b>
DIFFERENCE BETWEEN TAX LEVY LIMIT AND PROPOSED LEVY	\$0	\$0	\$0	\$0	\$0	\$0
YEAR OVER YEAR CHANGE IN CURRENT FYE PROPOSED LEVY	\$932,782	\$932,116	\$959,404	\$887,973	\$764,635	\$732,351

# Enrollment Forecast

*Enrollment as of September 12, 2024*

Grade	ACTUAL	BUDGET	ACTUAL	% Migration	Seven Year Avg. Migration	ESTIMATED ENROLLMENT				
	2023-24	2024-25	2024-25			2025-26	2026-27	2027-28	2028-29	2029-30
K	90	85	80			120	100	100	100	100
1	115	96	94	104.4%	105.2%	84	126	105	105	105
2	110	118	114	99.1%	101.4%	95	85	128	106	106
3	103	109	106	96.4%	100.0%	114	95	85	128	106
4	115	108	100	97.1%	102.3%	108	117	97	87	131
5	124	115	111	96.5%	99.4%	99	107	116	96	86
6	116	125	122	98.4%	98.5%	109	97	105	114	95
7	118	117	114	98.3%	99.6%	122	109	97	105	114
8	115	120	115	97.5%	98.9%	113	121	108	96	104
9	106	108	109	94.8%	95.4%	110	108	115	103	92
10	106	102	102	96.2%	95.1%	104	105	103	109	98
11	151	108	108	101.9%	99.0%	101	103	104	102	108
12	112	150	150	99.3%	99.9%	108	101	103	104	102
<b>TOTAL</b>	<b>1,481</b>	<b>1,461</b>	<b>1,425</b>			<b>1,387</b>	<b>1,374</b>	<b>1,366</b>	<b>1,355</b>	<b>1,347</b>
DW	315	299	288			299	311	333	311	311
FEB	342	332	317			321	319	298	311	323
MS	349	362	351			344	327	310	315	313
HS	475	468	469			423	417	425	418	400
<b>TOTAL</b>	<b>1,481</b>	<b>1,461</b>	<b>1,425</b>			<b>1,387</b>	<b>1,374</b>	<b>1,366</b>	<b>1,355</b>	<b>1,347</b>



# Expense Projections

- Salaries and benefits remain the largest expense section of the budget, both of which include assumptions for future costs

- Interfund transfer maintains a transfer to capital through year 2

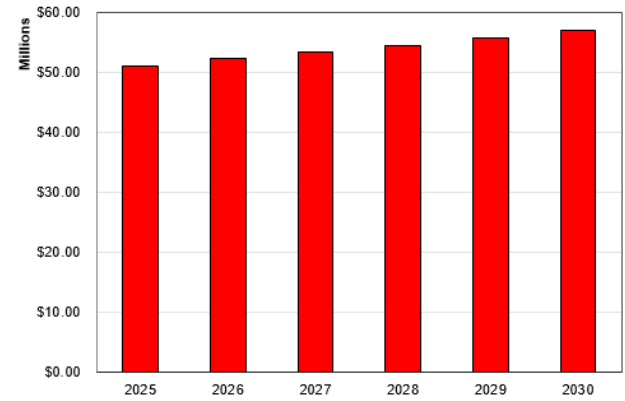
- Debt service assumes new debt in 2027 and 2029 to match maturing debt

## General (A) Fund | Expenditure Analysis

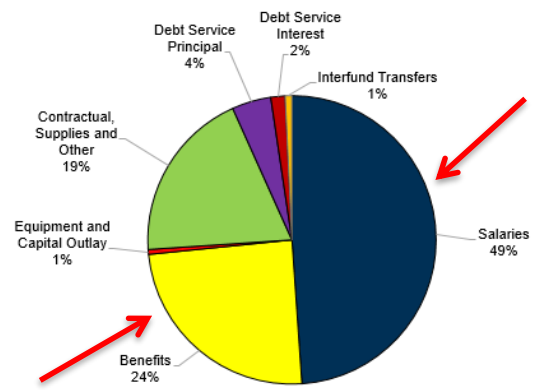
### Long Range Plan - September 2024

	BUDGET			EXPENDITURE PROJECTIONS							
	2025	2026	%Δ	2027	%Δ	2028	%Δ	2029	%Δ	2030	%Δ
Salaries	\$25,001,202	\$25,637,223	2.54%	\$26,260,114	2.43%	\$26,727,610	1.78%	\$27,216,405	1.83%	\$27,722,523	1.86%
Benefits	12,522,449	13,333,832	6.48%	13,959,110	4.69%	14,548,251	4.22%	15,186,149	4.38%	15,821,644	4.18%
<b>TOTAL SALARIES &amp; BENEFITS</b>	<b>37,523,651</b>	<b>38,971,055</b>	<b>3.86%</b>	<b>40,219,223</b>	<b>3.20%</b>	<b>41,275,861</b>	<b>2.63%</b>	<b>42,402,555</b>	<b>2.73%</b>	<b>43,544,168</b>	<b>2.69%</b>
Equipment and Capital Outlay	277,696	280,473	1.00%	283,278	1.00%	286,110	1.00%	288,972	1.00%	291,861	1.00%
Contractual, Supplies and Other	9,880,141	9,659,898	-2.23%	9,768,026	1.12%	9,932,697	1.69%	10,155,645	2.24%	10,352,830	1.94%
Debt Service Principal	2,243,639	2,248,326	0.21%	2,341,354	4.14%	2,414,566	3.13%	2,407,856	-0.28%	2,411,266	0.14%
Debt Service Interest	817,096	728,566	-10.83%	639,565	-12.22%	563,751	-11.85%	529,294	-6.11%	429,364	-18.88%
Interfund Transfers	385,000	385,000	0.00%	99,000	-74.29%	35,000	-64.65%	35,000	0.00%	35,000	0.00%
<b>TOTAL ALL OTHER</b>	<b>13,603,572</b>	<b>13,302,263</b>	<b>-2.21%</b>	<b>13,131,222</b>	<b>-1.29%</b>	<b>13,232,124</b>	<b>0.77%</b>	<b>13,416,766</b>	<b>1.40%</b>	<b>13,520,322</b>	<b>0.77%</b>
<b>TOTAL EXPENDITURES</b>	<b>\$51,127,223</b>	<b>\$52,273,318</b>	<b>2.24%</b>	<b>\$53,350,446</b>	<b>2.06%</b>	<b>\$54,507,986</b>	<b>2.17%</b>	<b>\$55,819,321</b>	<b>2.41%</b>	<b>\$57,064,490</b>	<b>2.23%</b>

Expenditure Projection



Current Year Budgeted Expenditures by Object

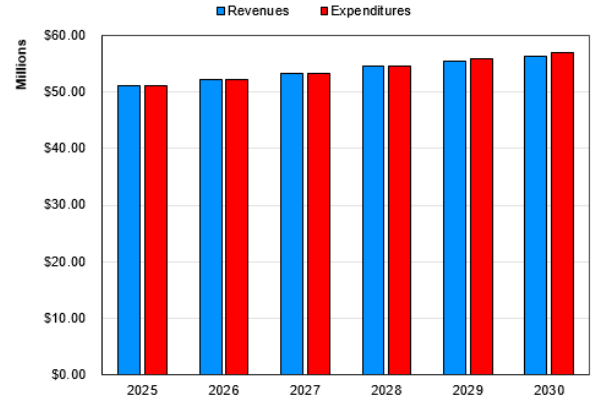


# Summary of Long Range Plan

- All years assume tax cap compliance
- Years 1 through 3 are balanced
- Years 4 and 5 show a deficit, primarily driven by an estimated decreasing CPI, however these years are the most speculative

General (A) Fund   Summary											
Long Range Plan - September 2024											
	BUDGET		REVENUE / EXPENDITURE PROJECTIONS								
	2025	2026	%Δ	2027	%Δ	2028	%Δ	2029	%Δ	2030	%Δ
<b>REVENUE</b>											
Local	\$44,639,590	\$45,636,706	2.23%	\$46,621,110	2.16%	\$47,539,083	1.97%	\$48,328,718	1.66%	\$49,086,069	1.57%
State	5,192,633	5,301,612	2.10%	5,369,336	1.28%	5,493,903	2.32%	5,745,270	4.58%	5,759,899	0.25%
Federal	0	0		0		0		0		0	
Transfers / Other	1,295,000	1,335,000	3.09%	1,360,000	1.87%	1,475,000	8.46%	1,355,000	-8.14%	1,425,000	5.17%
<b>TOTAL REVENUE</b>	<b>51,127,223</b>	<b>52,273,318</b>	<b>2.24%</b>	<b>53,350,446</b>	<b>2.06%</b>	<b>54,507,986</b>	<b>2.17%</b>	<b>55,428,988</b>	<b>1.69%</b>	<b>56,270,968</b>	<b>1.52%</b>
<b>EXPENDITURES</b>											
Salary and Benefit Costs	37,523,651	38,971,055	3.86%	40,219,223	3.20%	41,275,861	2.63%	42,402,555	2.73%	43,544,168	2.69%
Other	13,603,572	13,302,263	-2.21%	13,131,222	-1.29%	13,232,124	0.77%	13,416,766	1.40%	13,520,322	0.77%
<b>TOTAL EXPENDITURES</b>	<b>51,127,223</b>	<b>52,273,318</b>	<b>2.24%</b>	<b>53,350,446</b>	<b>2.06%</b>	<b>54,507,986</b>	<b>2.17%</b>	<b>55,819,321</b>	<b>2.41%</b>	<b>57,064,490</b>	<b>2.23%</b>
<b>SURPLUS / DEFICIT</b>	<b>\$0</b>	<b>\$0</b>		<b>\$0</b>		<b>\$0</b>		<b>(\$390,333)</b>		<b>(\$793,521)</b>	

Revenues Vs. Expenditures



# General Fund Projection Summary

The Long Range Financial Plan Summary shows the surplus or deficit as part of the five year financial plan.

The General Fund Projection Summary shows the surplus or deficit as part of the five year financial plan. In the current model, the next three budget years are balanced, and under the current assumptions, years 4 and 5 show deficits. In order to eliminate the projected deficits, Rye Neck must increase revenues, decrease expenditures, or a combination of both options. However it is also important to note that as we get closer to these fiscal years, we will have a better idea of actual costs and revenues, so the plan is subject to change.

The District has the most control over its expenditures and must consider the projected deficits when supporting instruction, negotiating contracts, and planning future project work and programming.

The District is closely following the state's work related to the revision to the Foundation Aid formula, which can have a significant impact on the annual amount of State Aid that Rye Neck receives.

Enrollment is another area that can have a significant impact on the overall budget. While the current projections show a decreasing enrollment trend, it will be important to monitor these trends in order to determine future staffing, supplies and materials needs.

