



SOMERS CENTRAL SCHOOL DISTRICT

2023-2024 LONG-RANGE FINANCIAL PLAN



Elements of Excellence

Fiscal Stewardship

SCSD is committed to responsible financial planning and allocation of resources to ensure a safe learning environment where all students achieve excellence.



GO TUSKERS!

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What is a Long-Range Financial Plan?

Fiscal stewardship has been identified as one of the six Elements of Excellence. The mission of fiscal stewardship is that the SCSD will ensure its commitment to responsible financial planning and allocation of resources to ensure a safe learning environment where all students achieve excellence.

A long-range financial plan will help paint a clear financial picture of where the District is currently, and where it is going to be in the future. It helps illustrate how choices today will impact the future. There are many different factors that go into the creation of a long-range financial plan such as projections for enrollment, salaries, benefits, utilities, technology, and additional instructional programs.

Why it's important to have a multi-year forecast:

- Plan for the Future
- Financial Stability & Support
- Comptroller Audits & Best Practices
- Credit Ratings
- Legislative Requirements
- Transparency & Fiscal Responsibility





District Summary

Somers is a suburban community located in Westchester County about 45 miles north of New York City. Our two campuses are the hub of activity in the town of Somers and foster collaboration between the school district and the community. The High School and Primrose Elementary School are on one campus. The Middle School and the Somers Intermediate School are on the other campus.

SCSD Mission
Somers Central School District will ignite a passion in each student by engaging all learners at a personal level to ensure success in a global society.

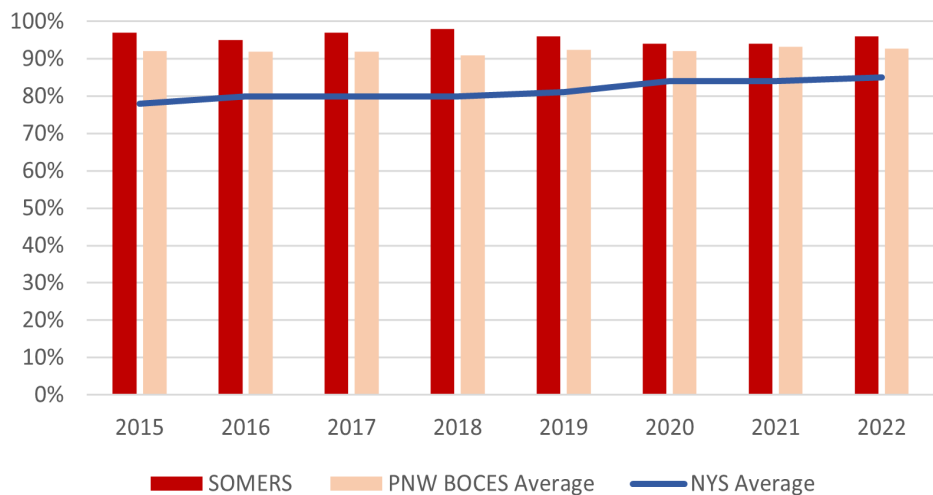
District Race Ethnicity

District: SOMERS CSD

Note: Enrollment is FY enrollment. For example: 2017 enrollment is from the Fall 2016 BEDS report
Source: NYSED School Enrollment Data



4-Year Graduation Rates





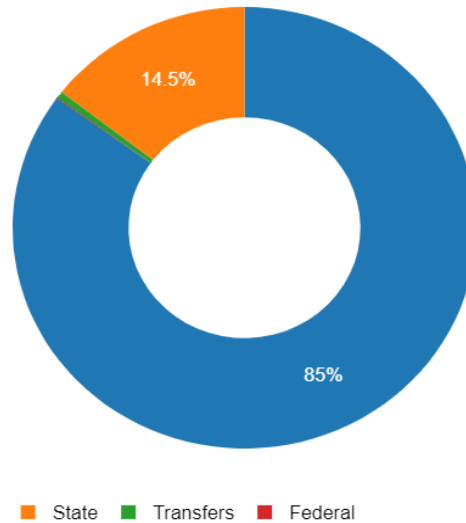
Revenue

The District receives 85% of revenue from local sources where 96% of the local source revenue comes from property taxes. The other 15% comes from the state in the form of School Aid.

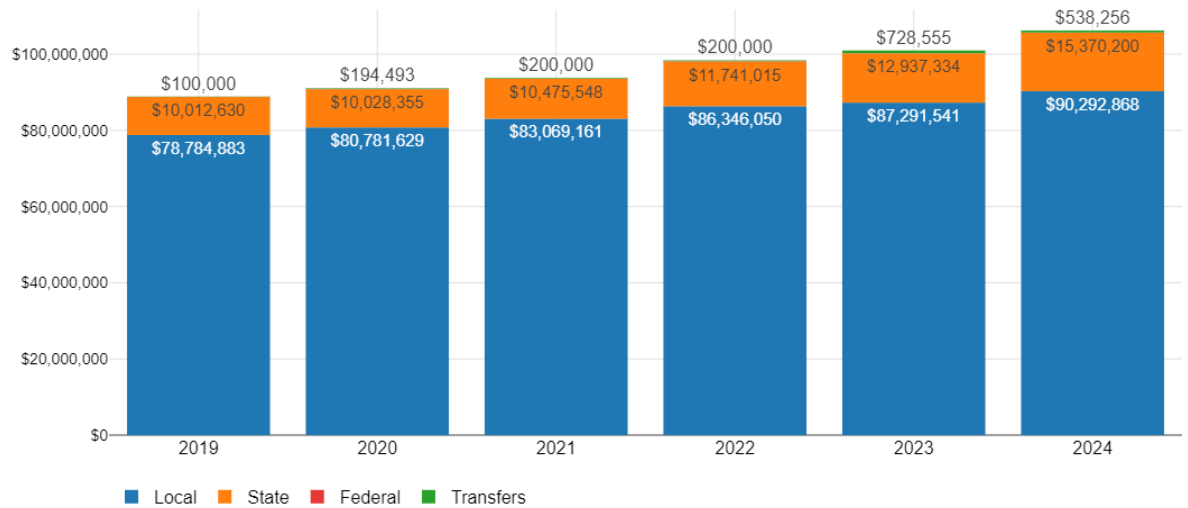
Breaking down the individual components of the LRF allows the District to easily communicate it to key stakeholders.

Where does our money come from?

Current Budget Revenues by Source



Historical Revenues by Source



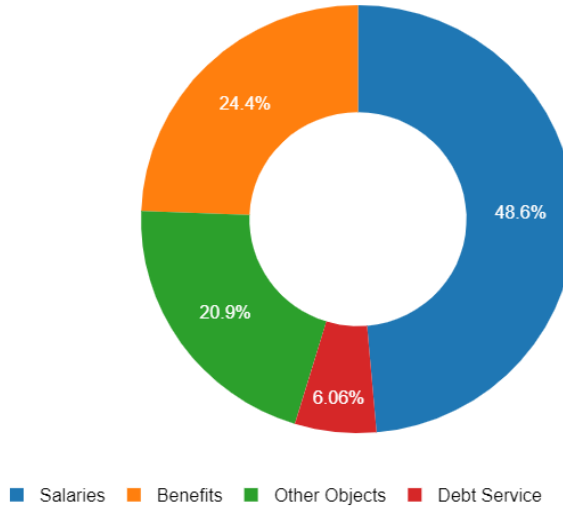


Expenses

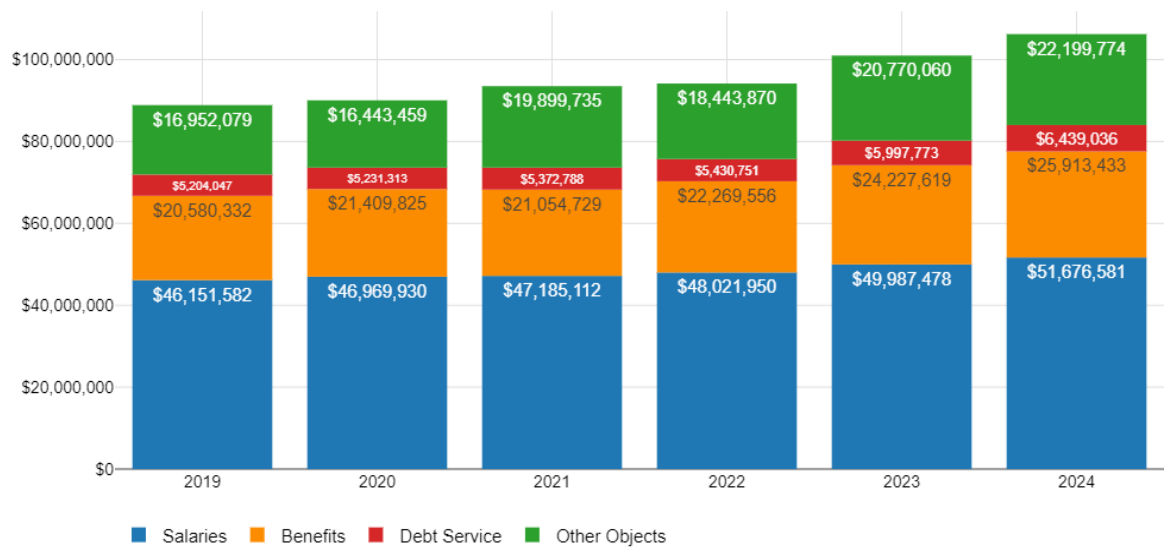
For the current 2023-2024 school year, 73% of the funds are allocated towards salaries and benefits. Debt service represents 6% of the overall budget. Other objects include utilities, insurances, buildings and grounds, special education out of district tuition, transportation, technology, security, and many more.

Where does our money go?

Current Budget Expenses by Object



Historical Expenses by Object





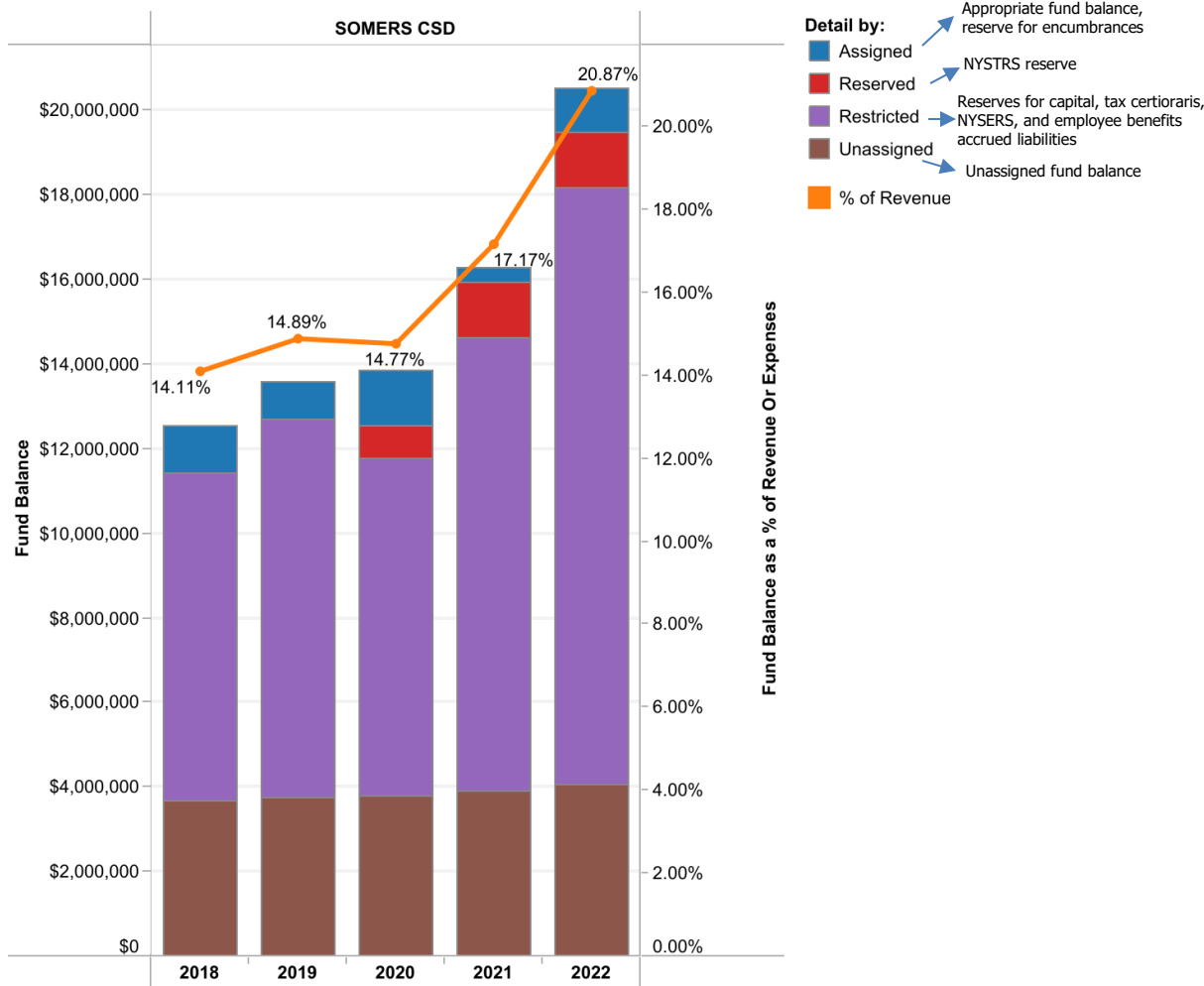
Fund Balances & Reserves

Fund balance and reserves are vital aspects to illustrating the fiscal stability of the District. Reserves are established for a specific purpose such as tax certioraris, capital projects, and retirement contributions. Reserves allow the District to prepare for future financial costs without having to ask the community for additional funds. Reserves are typically funded with available funds at year end. Unassigned fund balance is limited, by law, to 4% of the following year's budget. The District has maintained this balance of 4% for many years.

Having reasonable fund balance and reserve accounts is critical to the overall financial health of the District. The impact of not having reserve accounts funded appropriately, or an unassigned fund balance below the 4%, is that it could reduce the District's credit rating. This would reduce the District's borrowing power for future capital projects.

Fund Balance by Fund and Percentage

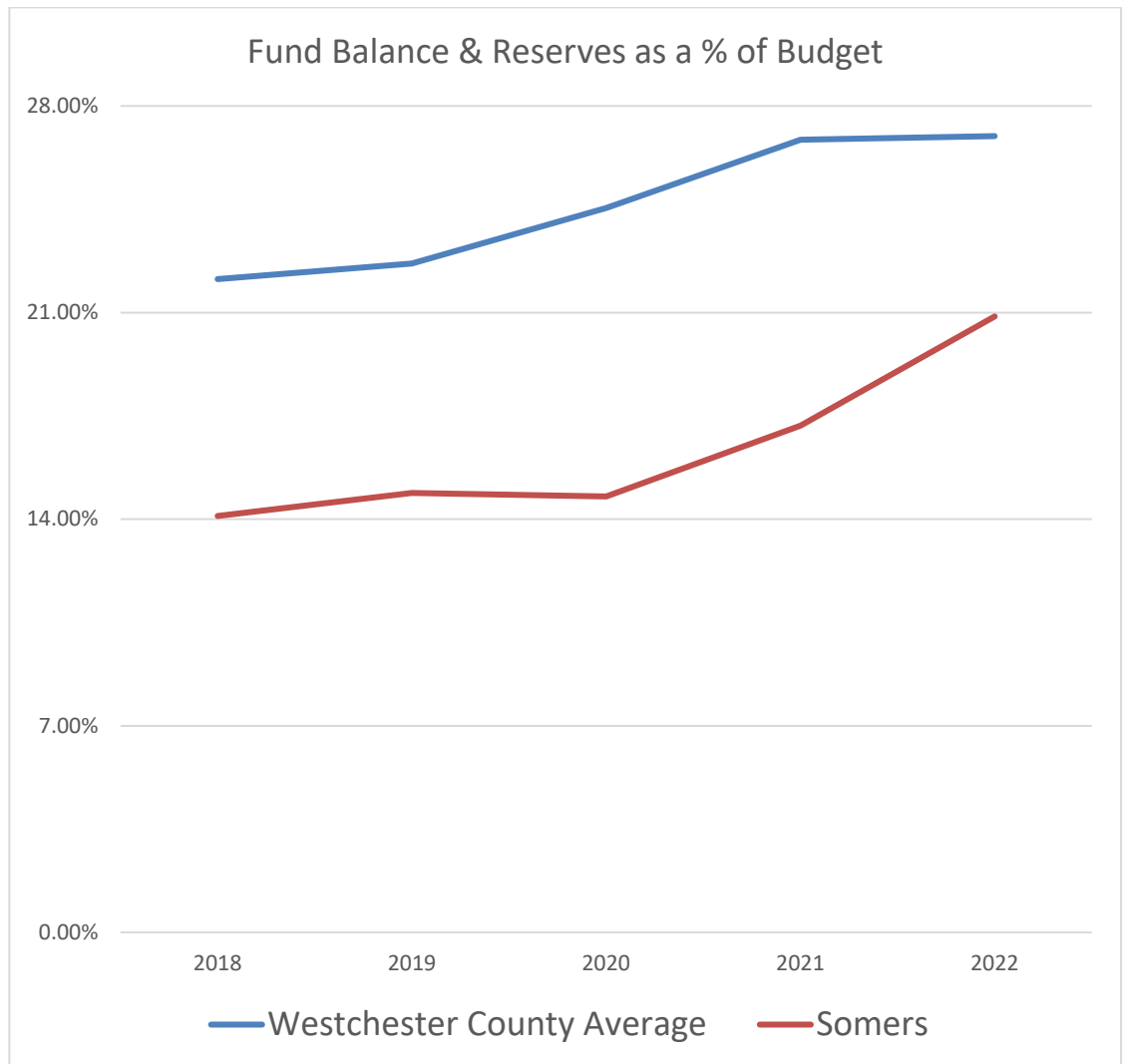
Shown as a % of Revenue
 District(s) - SOMERS CSD
 % of Revenues or Expenses reflects selected funds only
 Source: NYSED ST-3 Form





Fund Balances & Reserves Continued

The average fund balance & reserves as a % of budget over the last 10 years for Westchester County Suburban Public School Districts (WCSPSD) equaled 22.00%. Whereas Somers has averaged 13.71% over the last 10 years. Fund balance and reserves are vital aspects to illustrating the fiscal stability of the District. The chart below illustrates the past five years. WCSPSDs have averaged 24.63% with the latest year being at 26.98%. Somers has averaged 16.36% with the latest year being at 20.87%.





5-Year Financial Forecast

Several major revenue and expenditure assumptions were used in the five-year financial forecast as described in detail in the pages that follow. Additional key factors that impacted the assumptions are worth noting:

- All assumptions are being made at a current moment in time. These factors will continue to change over the upcoming years, and the forecast will be updated as new information is obtained.
- The forecast is for five years. Trying to project beyond this will result in less reliable data.
- Our student populations are changing and with that comes a shift in their needs. This will result in new programs, services, and staff.



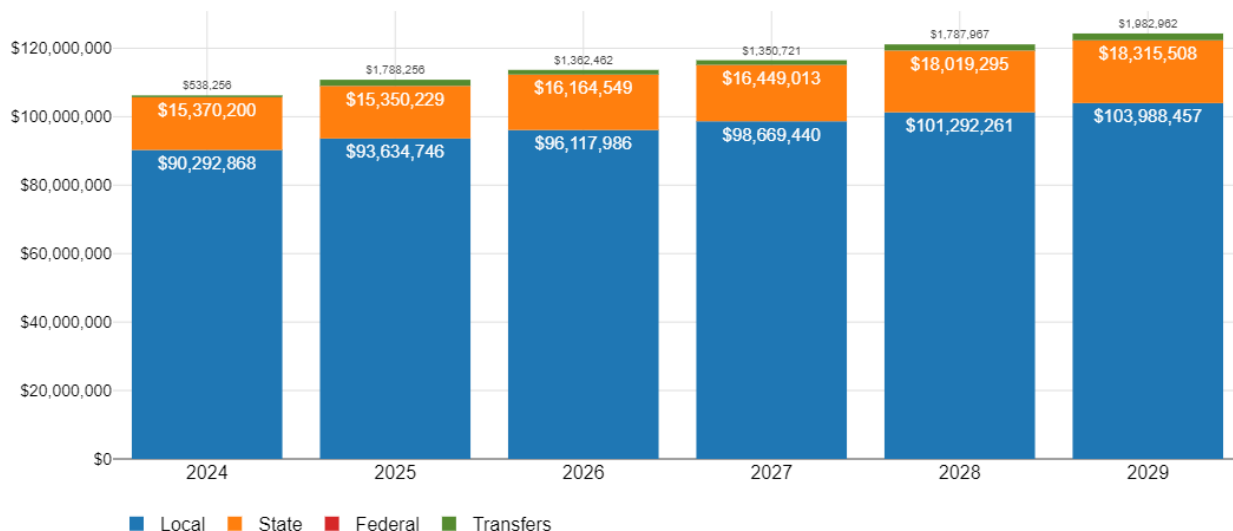
Key Assumptions – Revenues

The plan is based on the following revenue assumptions:

- 2.72% average increase in property taxes over the next five years (staying within the maximum allowable levy limit)
- 1.38% increase in State Aid over the next five years
- Large increase in interest and earnings in first year due to current rates
- Appropriated fund balance usage to balance budget continues to fluctuate in each of the projected years

	BUDGET		REVENUE PROJECTIONS								
	2024	2025	%Δ	2026	%Δ	2027	%Δ	2028	%Δ	2029	%Δ
LOCAL											
Property Taxes	\$86,715,081	\$89,106,722	2.76%	\$91,515,400	2.70%	\$93,992,119	2.71%	\$96,538,800	2.71%	\$99,157,418	2.71%
Other Local Revenue	3,577,787	4,528,024	26.56%	4,602,586	1.65%	4,677,321	1.62%	4,753,461	1.63%	4,831,039	1.63%
TOTAL LOCAL REVENUE	90,292,868	93,634,746	3.70%	96,117,986	2.65%	98,669,440	2.65%	101,292,261	2.66%	103,988,457	2.66%
STATE											
Basic Aid	10,654,207	10,537,402	-1.10%	10,748,150	2.00%	10,963,113	2.00%	11,182,375	2.00%	11,406,023	2.00%
Other State Revenue	4,715,993	4,812,827	2.05%	5,416,398	12.54%	5,485,900	1.28%	6,836,920	24.63%	6,909,486	1.06%
TOTAL STATE REVENUE	15,370,200	15,350,229	-0.13%	16,164,549	5.30%	16,449,013	1.76%	18,019,295	9.55%	18,315,508	1.64%
TOTAL FEDERAL REVENUE	27,500	37,500	36.36%	38,250	2.00%	39,015	2.00%	39,795	2.00%	40,591	2.00%
OTHER FINANCING SOURCES	538,256	1,788,256	232.23%	1,362,462	-23.81%	1,350,721	-0.86%	1,787,967	32.37%	1,982,962	10.91%
TOTAL REVENUE	\$106,228,824	\$110,810,731	4.31%	\$113,683,247	2.59%	\$116,508,189	2.48%	\$121,139,319	3.97%	\$124,327,519	2.63%

Projected Revenues by Source





Property Tax Cap Calculator

A five-year property tax cap forecast uses the following assumptions:

- Flat tax base growth factor of 1.0081 for all five years
- Allowable levy growth factor projected to remain at 2% for all five years
- Capital levy remains consistent for all five years
- District proposed levies remain within the allowable tax levy limit for all five years

Tax Cap Calculator Results Report							
LRFP 2023-2024							
	BUDGET	PROJECTIONS					
	2024	2025	2026	2027	2028	2029	
Tax Levy Limit (Cap) Before Exclusions							
Tax Levy Prior Year	\$84,353,192	\$86,715,081	\$89,106,722	\$91,515,400	\$93,992,119	\$96,538,800	
Prior Year Reserve Offset	\$0	\$0	\$0	\$0	\$0	\$0	
Reserve Amount	\$0	\$0	\$0	\$0	\$0	\$0	
Tax Base Growth Factor	1.0054	1.0081	1.0081	1.0081	1.0081	1.0081	
PILOTS Receivable Prior Year	\$106,717	\$109,919	\$113,216	\$116,613	\$120,111	\$123,714	
Tort/ Judgement Exclusion Prior Year	\$0	\$0	\$0	\$0	\$0	\$0	
Capital Tax Levy for Prior Year	\$4,420,068	\$5,384,651	\$5,426,185	\$5,426,185	\$5,426,185	\$5,426,185	
Allowable Levy Growth Factor	1.0200	1.0200	1.0200	1.0200	1.0200	1.0200	
PILOTS Receivable Current FYE	\$109,919	\$113,216	\$116,613	\$120,111	\$123,714	\$127,426	
Available Carryover from Prior FYE	\$0	\$0	\$0	\$0	\$0	\$0	
Total Levy Limit Before Exclusions	\$81,995,336	\$83,672,380	\$86,089,215	\$88,565,934	\$91,112,615	\$93,731,233	
Exclusions							
Tax Levy Necessary for Expenditures Resulting from Tort Judgements Over 5%	\$0	\$0	\$0	\$0	\$0	\$0	
Capital Levy for Current Year	\$5,384,651	\$5,426,185	\$5,426,185	\$5,426,185	\$5,426,185	\$5,426,185	
ERS contribution increase greater than 2%	\$0	\$8,157	\$0	\$0	\$0	\$0	
TRS contribution increase greater than 2%	\$0	\$0	\$0	\$0	\$0	\$0	
Total Exclusions	\$5,384,651	\$5,434,342	\$5,426,185	\$5,426,185	\$5,426,185	\$5,426,185	
Tax Levy Limit, Adjusted For Transfers, Plus Exclusions	\$87,379,987	\$89,106,722	\$91,515,400	\$93,992,119	\$96,538,800	\$99,157,418	
Reserve Amount Used to Reduce Current Year Levy	\$0	\$0	\$0	\$0	\$0	\$0	
Proposed Levy for Current Year, Net of Reserve \$	\$86,715,081	\$89,106,722	\$91,515,400	\$93,992,119	\$96,538,800	\$99,157,418	
OR Proposed Levy for Current Year, Net of Reserve %	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
	2024	2025	2026	2027	2028	2029	
CURRENT FYE PROPOSED LEVY, \$ entry	\$86,715,081	\$89,106,722	\$91,515,400	\$93,992,119	\$96,538,800	\$99,157,418	
CURRENT FYE PROPOSED LEVY, % entry	\$0	\$0	\$0	\$0	\$0	\$0	
CURRENT FYE PROPOSED LEVY, NET OF RESERVE %	2.80%	2.76%	2.70%	2.71%	2.71%	2.71%	
TAX LEVY LIMIT %	3.59%	2.76%	2.70%	2.71%	2.71%	2.71%	
DIFFERENCE BETWEEN TAX LEVY LIMIT AND PROPOSED LEVY	\$664,906	\$0	\$0	\$0	\$0	\$0	
YEAR OVER YEAR CHANGE IN CURRENT FYE PROPOSED LEVY	\$2,361,889	\$2,391,641	\$2,408,678	\$2,476,719	\$2,546,681	\$2,618,618	



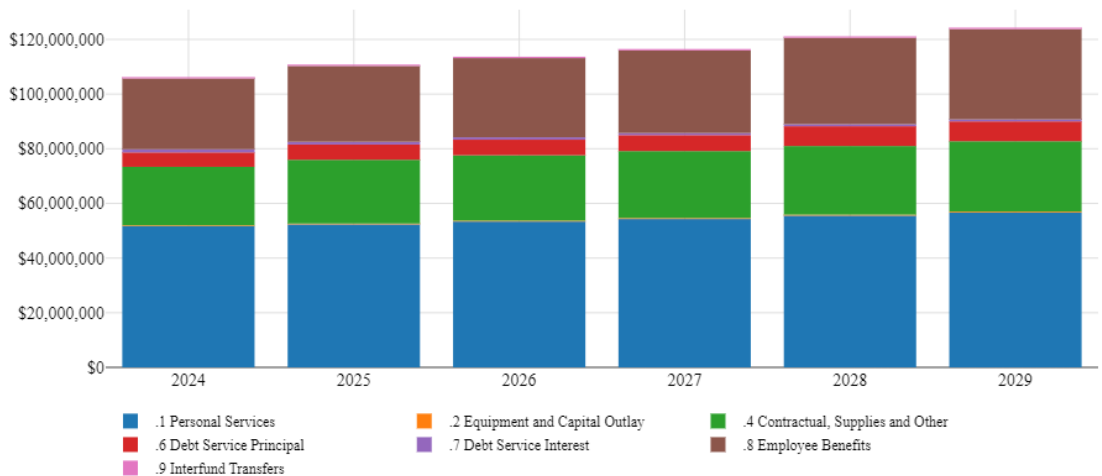
Key Assumptions – Expenditures

The plan is based on the following expenditure assumptions:

- Salary adjustments based on current contractual obligations – SFA and SSRP union contracts expire 2026, SASA contract expires 2028
- ERS contribution rate increases in 2024-2025 to 15.2% and remains steady in future years
- TRS contribution rate increases in 2024-2025 to 10.02% and remains steady in future years

	BUDGET			EXPENDITURE PROJECTIONS							
	2024	2025	%Δ	2026	%Δ	2027	%Δ	2028	%Δ	2029	%Δ
Salaries	\$51,676,581	\$52,321,846	1.25%	\$53,368,283	2.00%	\$54,302,228	1.75%	\$55,524,028	2.25%	\$56,634,509	2.00%
Benefits	25,913,433	27,746,742	7.07%	28,972,597	4.42%	30,238,422	4.37%	31,622,272	4.58%	33,053,794	4.53%
TOTAL SALARIES & BENEFITS	77,590,014	80,068,588	3.19%	82,340,880	2.84%	84,540,650	2.67%	87,146,300	3.08%	89,688,302	2.92%
Equipment and Capital Outlay	312,334	311,200	-0.36%	326,532	4.93%	342,630	4.93%	359,533	4.93%	377,282	4.94%
Contractual, Supplies and Other	21,385,941	23,337,700	9.13%	23,916,044	2.48%	24,509,313	2.48%	25,117,909	2.48%	25,742,241	2.49%
Debt Service Principal	5,289,109	5,569,832	5.31%	5,698,701	2.31%	5,843,013	2.53%	7,242,779	23.96%	7,263,012	0.28%
Debt Service Interest	1,149,927	1,018,411	-11.44%	888,466	-12.76%	752,141	-15.34%	744,347	-1.04%	720,020	-3.27%
Interfund Transfers	501,500	505,000	0.70%	512,625	1.51%	520,441	1.52%	528,452	1.54%	536,663	1.55%
TOTAL ALL OTHER	28,638,810	30,742,143	7.34%	31,342,367	1.95%	31,967,538	1.99%	33,993,019	6.34%	34,639,217	1.90%
TOTAL EXPENDITURES	\$106,228,824	\$110,810,731	4.31%	\$113,683,247	2.59%	\$116,508,189	2.48%	\$121,139,319	3.97%	\$124,327,519	2.63%

A General Fund Expenses by Object





5-Year Financial Forecast Summary

The summary shows the projected revenues and expenditures for the next five years. As stated earlier, the use of appropriated fund balance has been used to balance the budget for future years. If the trend continues with an increased use of appropriated fund balance year over year, this will become a concern and is not sustainable. We will continue to monitor trends, market conditions, and the actual expenditures, to update this report annually.

Long Range Financial Plan Summary SOMERS CSD LRFP 2023-2024

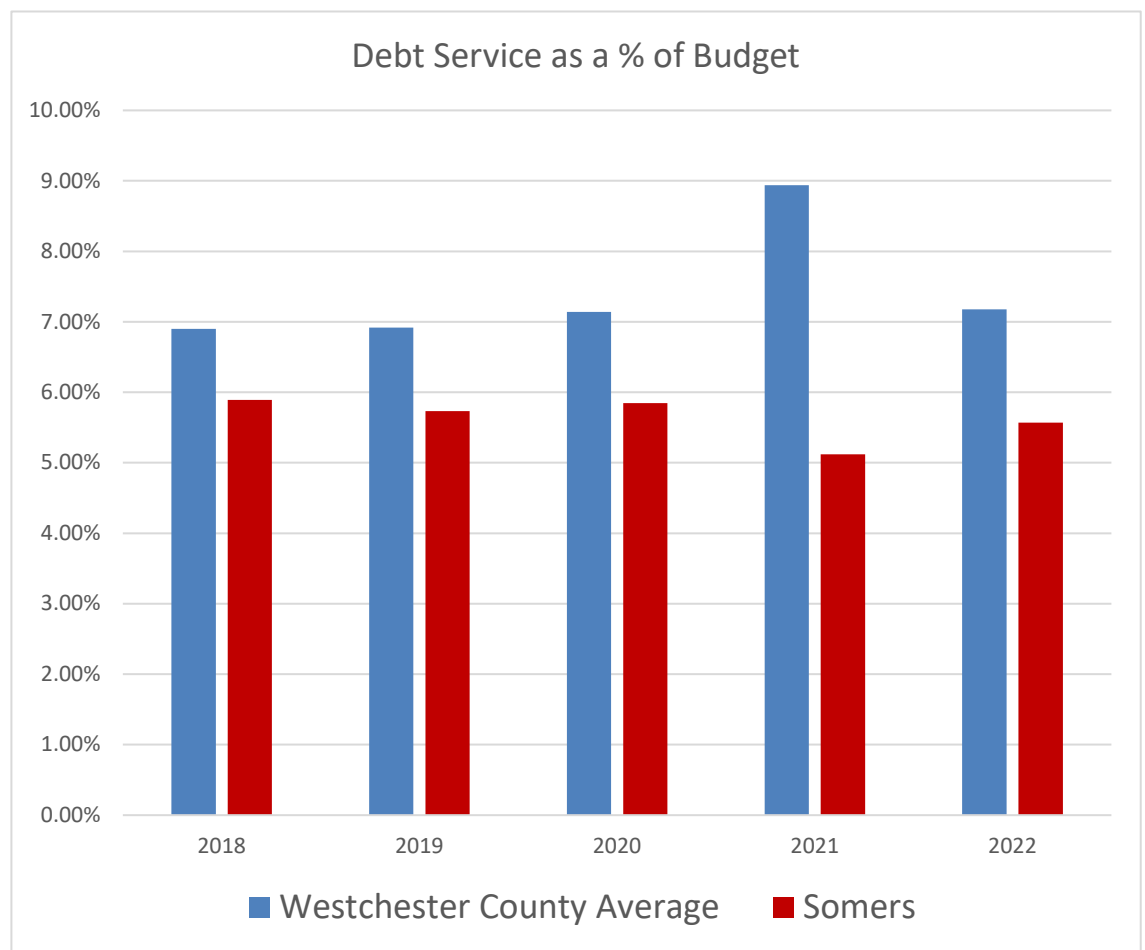
	FY2024 Budget	FY2025 Projected	Percent Change	FY2026 Projected	Percent Change	FY2027 Projected	Percent Change	FY2028 Projected	Percent Change	FY2029 Projected	Percent Change
Local Revenue											
Real Property Taxes	\$86,715,081	\$89,106,722	2.76%	\$91,515,400	2.70%	\$93,992,119	2.71%	\$96,538,800	2.71%	\$99,157,418	2.71%
Interest and Earnings	\$245,000	\$1,045,000	326.53%	\$1,055,450	1.00%	\$1,066,005	1.00%	\$1,076,665	1.00%	\$1,087,431	1.00%
All Other Local Revenue	\$3,332,787	\$3,483,024	4.51%	\$3,547,136	1.84%	\$3,611,316	1.81%	\$3,676,797	1.81%	\$3,743,608	1.82%
Total Local Revenue	\$90,292,868	\$93,634,746	3.70%	\$96,117,986	2.65%	\$98,669,440	2.65%	\$101,292,261	2.66%	\$103,988,457	2.66%
State Revenue											
Basic Formula Aid	\$10,654,207	\$10,537,402	-1.10%	\$10,748,150	2.00%	\$10,963,113	2.00%	\$11,182,375	2.00%	\$11,406,023	2.00%
Other State Aid	\$4,715,993	\$4,812,827	2.05%	\$5,416,398	12.54%	\$5,485,900	1.28%	\$6,836,920	24.63%	\$6,909,486	1.06%
Total State Revenue	\$15,370,200	\$15,350,229	-0.13%	\$16,164,548	5.30%	\$16,449,013	1.76%	\$18,019,295	9.55%	\$18,315,508	1.64%
Federal Revenue	\$27,500	\$37,500	36.36%	\$38,250	12.54%	\$39,015	2.00%	\$39,795	2.00%	\$40,591	2.00%
Other Financing Sources	\$538,256	\$1,788,256	232.23%	\$1,362,462	-23.81%	\$1,350,721	-0.86%	\$1,787,967	32.37%	\$1,982,962	10.91%
Total Revenue	\$106,228,824	\$110,810,731	4.31%	\$113,683,247	2.59%	\$116,508,189	2.48%	\$121,139,319	3.97%	\$124,327,519	2.63%
Expenditure:											
Salaries	\$51,676,581	\$52,321,846	1.25%	\$53,368,283	2.00%	\$54,302,228	1.75%	\$55,524,028	2.25%	\$56,634,509	2.00%
Benefits	\$25,913,433	\$27,746,742	7.07%	\$28,972,597	4.42%	\$30,238,422	4.37%	\$31,622,272	4.58%	\$33,053,794	4.53%
Equipment and Capital Outlay	\$312,334	\$311,200	-0.36%	\$326,532	4.93%	\$342,630	4.93%	\$359,533	4.93%	\$377,282	4.94%
Contractual, Supplies and Other	\$21,385,941	\$23,337,700	9.13%	\$23,916,044	2.48%	\$24,509,313	2.48%	\$25,117,909	2.48%	\$25,742,241	2.49%
Supplies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Debt Service Principal	\$5,289,109	\$5,569,832	5.31%	\$5,698,701	2.31%	\$5,843,013	2.53%	\$7,242,779	23.96%	\$7,263,012	0.28%
Debt Service Interest	\$1,149,927	\$1,018,411	-11.44%	\$888,466	-12.76%	\$752,141	-15.34%	\$744,347	-1.04%	\$720,020	-3.27%
Interfund Transfers	\$501,500	\$505,000	0.70%	\$512,625	1.51%	\$520,441	1.52%	\$528,452	1.54%	\$536,663	1.55%
Total Expense	\$106,228,824	\$110,810,731	4.31%	\$113,683,247	2.59%	\$116,508,189	2.48%	\$121,139,319	3.97%	\$124,327,519	2.63%
Surplus/Deficit	\$0	\$0		\$0		\$0		\$0		\$0	
Beginning Fund Balance	\$20,191,758	\$20,191,758		\$20,191,758		\$20,191,758		\$20,191,758		\$20,191,758	
Ending Fund Balance	\$20,191,758	\$20,191,758		\$20,191,758		\$20,191,758		\$20,191,758		\$20,191,757	



Debt Service

Debt service plays an integral role for school districts. Similar to a mortgage on one's home, school districts must often borrow funds to finance large capital improvements to the buildings and grounds of the District. For capital projects, the District is eligible for building aid from New York State. For all approved expenses, the District will receive reimbursement for a portion of these expenses. The current building aid reimbursement for Somers is approximately 41%. For Somers, this means that for every dollar spent on approved expenses, New York State will reimburse the District \$0.41. The District has been strategic in maintaining its current debt levels for two reasons. One, it allows consistency in the tax cap formula as debt service is a part of the formula. Two, it allows for future capital projects to occur without increases in taxes.

Over the past 10 years, the WCSPSDs have averaged 7.32% for debt service as a percentage of budget. Somers over that same time frame has averaged 6.04%. The chart below illustrates the last five years. WCSPSDs averaged 7.42% and Somers averaged 5.63%.



Responsible Planning

Thoughtful planning for safe, sound, and effective learning spaces is paramount to the overall success of the district. As part of our master capital plan, we are in the design phase of updating our structures and spaces. Through interactive workshops, we are gathering input from students, teachers, parents, and community members to create areas that foster the development of 21st century knowledge and skills, social, emotional, and physical wellness, and global citizenship. The goal is to create active learning environments for kids which will increase student belongingness and engagement.



In May 2025, the district will ask the community to vote on a new \$60-65 million capital bond to pay for these updated structures and spaces. The payments on the new bond would start at the same time that previous bonds will be paid off, resulting in no additional costs to taxpayers.

Designed for Learner Engagement

AFFECTIVE, BEHAVIORAL, AND COGNITIVE

Engaging learning spaces have a positive impact on student growth

Flexible

Learning spaces where design and furniture provide the opportunity for teachers to easily create small or large group activities that drive collaboration.

Support

Learning spaces that are intended to support students academically, socially, and emotionally.

Community

Caring social connections are supported by spaces that invite teachers and children to live, learn, and laugh together.

Technology

State of the art technology provides all learners with the ability to enhance their 21st century knowledge and skills to prepare for the future.

Outdoor

Outdoor learning allows teachers to design activities that help children experience the social, emotional, and physical benefits of nature.

Environment

Sight, sound, and touch incorporated by design to positively impact learning.

Applied

Hands-on, minds-on spaces with active learning opportunities designed to motivate learners and foster imagination, building, and creativity.

Research

Schools and classrooms designed for engagement positively impact student achievement. SCSD has incorporated educational design research into the modernizing of learning spaces across the district.