Strategic Options Plan for Long-Term Fiscal Sustainability

Prepared for the Board of Education

September 2026

"The best way to predict the future is to create it." Although this quote is often attributed to Abraham Lincoln, there is no historical evidence that he actually spoke those words. Regardless of its origin, the message has never been more relevant. We are living through one of the most transformative periods in human history, where technological innovation, artificial intelligence, and automation are reshaping nearly every aspect of society. Experts estimate that many of today's students will ultimately work in careers that do not yet exist, using technologies that have yet to be invented to solve problems we cannot yet imagine. In this environment, preparing students simply for the jobs of today is no longer enough. We must equip them with the knowledge, skills, adaptability, and experiences that will empower them to create their own future rather than merely react to it.

Essential Question
"How do we preserve what matters most and do it even better?"

I. New York's Vision for the Future of Education

New York State is rethinking what it means to prepare students for life after high school. Through its vision for the future of education, the State recognizes that earning a diploma should be about more than passing required courses and exams. Students need opportunities to discover their interests, build real-world skills, and prepare for many different futures including college, careers, the military, technical training, and entrepreneurship.

Today's students will graduate into a world that is changing faster than ever before. Many experts estimate that a significant number of the jobs today's students will have in the future do not yet exist because new technologies, especially artificial intelligence, automation, and emerging industries, are transforming the workforce. Rather than simply memorizing information, students will need to think critically, solve problems, communicate effectively, work with others, and continue learning throughout their lives.

New York's vision encourages schools to provide multiple pathways for success by connecting learning to students' strengths, interests, and career goals. This includes opportunities such as career and technical education, the arts, STEM programs, work-based learning, internships, industry credentials, and college-level coursework. The goal is to ensure that every graduate leaves high school with both a diploma and a plan for what comes next.

For school districts, this vision means that the future needs to be different from the traditional high school experience. Schools must evolve to offer more personalized learning, stronger partnerships with businesses and colleges, and experiences that help students develop the knowledge, skills, and adaptability needed to succeed in a rapidly changing world. Preparing students for tomorrow requires redesigning schools today.

II. Preparing Students for Future Success

Educators, community members, and employers consistently emphasize that the most critical competencies for high school graduates extend far beyond specific technical tasks. They are the durable, human skills that enable individuals to thrive in college, navigate evolving career pathways, and engage meaningfully as active, informed citizens.

Research across New York State underscores the essential competencies needed for long-term fulfillment and success in higher education, careers, and civic life.

Essential Competencies for Future Success	Why It Matters
Communication (writing, speaking, listening)	Students must be able to communicate effectively.
Critical thinking & problem solving	Learners must analyze complex information, evaluate evidence, make sound decisions, and solve unfamiliar problems.
Dependability & Work Ethic	Punctuality, accountability, following through on commitments, and ethical behavior are foundational attributes.
Teamwork & Collaboration	Success depends on collaborating constructively.
Self-motivation & Initiative	Thriving as an adult requires self-direction, curiosity, and proactive effort.
Adaptability & Learning	As society and technology evolve, individuals must possess resilience, flexibility, and a commitment to lifelong learning.
Digital Literacy	Navigating digital information critically, responsibly, and ethically is required.
Professionalism	Mutual respect, active listening, effective time management, and constructive interpersonal skills enrich communities and professional environments alike.
Business & Financial Literacy	Understanding economic principles, personal budgeting, and organizational dynamics prepares young adults for independent living and informed civic participation.

What this means for schools

The implication for K-12 education is significant. Employers are telling schools that success is no longer defined only by academic knowledge. Graduates must leave high school able to:

- Think critically
- Communicate effectively
- Work collaboratively
- Adapt to changing technology
- Demonstrate professionalism
- Solve authentic problems
- Continue learning throughout their careers

These competencies align closely with New York's emerging graduation pathway work and its emphasis on preparing students for college, careers, and civic life - not simply earning credits toward a diploma.

III. Framing the Work

Education has been a cornerstone of the Palmyra and Macedon communities for nearly two centuries. From the founding of the Macedon Academy in 1841, the opening of Macedon High School in 1902, and the early years of the Palmyra Classical Union Free School, local residents have long recognized that a strong community depends upon a strong system of public education.

As New York transitioned to centralized school districts during the mid-twentieth century, the citizens of Palmyra and Macedon faced an important decision. In 1950, they chose to establish the Palmyra-Macedon Central School District, not simply as a consolidation of schools, but as an investment in the future of their children and communities. It was a bold decision that required vision, collaboration, and a willingness to embrace change in order to provide broader educational opportunities, stronger academic programs, and greater access to resources than could be achieved by individual schools alone.

That same spirit of foresight has defined our District for generations. Each generation of residents has inherited the responsibility not merely to preserve what was created, but to strengthen it for those who follow. The decisions made by our predecessors were never intended to serve only the students of their time; they were made with confidence that investing in education would shape the future prosperity, vitality, and quality of life for the entire community.

Commitment by the Board of Education

Every year at Pal-Mac, whether we say it out loud or not, we make a promise to our students and families about the kind of experience we are going to provide.

This plan is about how we deliver or protect that promise in a time of fiscal constraint.

At its meeting on April 7, 2026, the Board of Education passed this resolution:

> *WHEREAS, the Palmyra-Macedon Central School District Board of Education is committed to maintaining the high quality of its educational programs while exercising prudent fiscal stewardship of community resources; and*
> *WHEREAS, current multi-year financial projections indicate that anticipated expenditures are expected to exceed projected revenues in future fiscal years, resulting in structural budget deficits; and*
> *WHEREAS, New York State Foundation Aid increases have not kept pace with the rising costs of mandated services and inflationary pressures; and*
> *WHEREAS, it is the fiduciary responsibility of the Board of Education to ensure the long-term financial solvency of the District while minimizing the impact on student programming and the local tax levy;*
> *NOW, THEREFORE BE IT RESOLVED, upon the recommendation of the Superintendent, the the Board of Education establishes as a priority that the Superintendent facilitate the development of*

a comprehensive menu of strategic options aimed at closing structural out-year budget deficits; and
BE IT FURTHER RESOLVED, that such options shall be presented to the Board of Education for review and consideration; and
BE IT FURTHER RESOLVED, that these options shall prioritize the preservation of the District's core educational mission and provide a framework for sustainable, long-term fiscal health.

The resolution appropriately centers two truths:

- We must maintain high-quality opportunities for students.
- We must ensure long-term fiscal solvency within the realities of revenue limits.

Study Objectives

1. Preserve the District's core educational mission
2. Maintain or expand opportunities for Pal-Mac students
3. Provide a framework for sustainable, long-term fiscal health

Inherent in these tenets, are ensuring:

- Access to a high-quality education for every child, regardless of background, circumstance, or ability.
- Fiscal stewardship of taxpayer resources, balancing today's needs with tomorrow's obligations.
- Safe, secure, and welcoming learning environments where students and staff can thrive.
- Academic excellence and innovation that prepares students for college, career, military service, and life.
- Strong community schools that serve as the heart of our towns and neighborhoods.
- Recruitment and retention of exceptional educators and staff who are essential to student success.
- Responsible maintenance and modernization of facilities and infrastructure to protect community investments.
- Equitable opportunities and access to programs, activities, and supports for all students.
- Student well-being, mental health, and belonging as foundational elements of learning.
- Preparation of students to be informed citizens, productive workers, and engaged community members.
- Adaptability to changing demographics, workforce demands, and educational expectations.
- Preservation of local control and community voice in educational decision-making.
- Long-term financial sustainability, ensuring future generations inherit a strong district.
- Partnerships among schools, families, businesses, and community organizations that strengthen educational outcomes.
- A commitment to continuous improvement, ensuring the district evolves while remaining true to its core mission and values.

Palmyra-Macedon Central School District Information

2025-26 Enrollment: 1,542 (K-12) plus 90 UPK Students
Area of District sq. miles 48.5 square miles

School Aid Ratios:
Transportation Aid Ratio - 0.828
BOCES Aid Ratio - 0.744
Building Aid Ratio - 0.844
Combined Wealth Ratio (CWR)- 0.569
Source: New York State Education Department

Demographics:
White - 93%
African American - 1%
Hispanic - 3%
Multiracial - 3%
English Language Learners - 1%
Students with Disabilities - 13%
Economically Disadvantaged - 43%
Source: New York State Education Department (2024-2025)

The Palmyra-Macedon Central School District includes four school buildings across three main campuses. Palmyra-Macedon Primary School, a 61,000-square-foot facility constructed in 1924, is located on 3 acres along Canandaigua Street in Palmyra. Palmyra-Macedon Intermediate School, a 76,000-square-foot facility originally constructed in 1927, is on a 23-acre site on West Street in Macedon. The District's 83-acre Hyde Parkway campus consists of the Palmyra-Macedon High School, a 201,400 square-foot facility built in 1952, and the Middle School, a 117,900 square-foot facility built in 1973.

The District's Transportation Facility, built in 2001, occupies 40 acres off Yellow Mills Road. The Maintenance Shop on Walworth Road was the former bus garage and was built in 1965 on a 2-acre parcel. Other District facilities include the District Office building on Cuyler Street in Palmyra, a shared fueling facility on Kent Street in Palmyra, and the Senior Booth at the Wayne County Fairgrounds.

Palmyra-Macedon CSD transports all Primary School and Intermediate School students, and all students living more than 1 mile away from the Middle and High Schools. The district's bus fleet consists of 47 buses and bus drivers complete 119 round trip routes per day not including field trips and athletic events.

Pal-Mac employs approximately 550 people including faculty, school leaders, office professionals, facilities, food service, transportation, paraprofessionals, coaches, lifeguards, and substitutes.

The District prides itself on offering opportunities for students at all levels.

At Palmyra-Macedon Primary School (PMP), which houses Universal Pre-Kindergarden through 2nd grade, students are celebrated for the unique qualities of the young child. Inside the Primary School doors, you'll find an environment that capitalizes on curiosity, promotes play, and teaches children to love learning. Learning experiences are created with an emphasis on elements which help to build early literacy and numeracy skills, as well as problem solving, perseverance, collaboration among peers and opportunities for building social emotional well being. Skills such as these contribute to a strong foundation academically and will guide students as learners throughout their path at Pal-Mac. Students are in charge of their own educational path with support and love throughout the journey. The Primary School heavily emphasizes the relationship between family/caregiver and PMP staff as we know this is the start of an important partnership which contributes to school success. In collaboration with Community Schools, PMP hosts many in and out of school events where students, families, our community and staff engage together in fun activities where connections are formed and families know they are part of a very special learning community which emphasizes the Whole Child. Being a Red Raiders starts here!

As students grow in grades three through five at Palmyra-Macedon Intermediate School (PMI), they engage in integrated learning experiences that ground them in their community while also teaching them about our country and our world. They deepen their academic knowledge and apply what they are learning in meaningful and authentic ways. Students all take part in chorus and have the opportunity to learn an instrument and join many different activities such as robotics, snowsports, family book clubs, a 1-mile fun run, and board game club. Students also have leadership opportunities, including serving on the student leadership team, welcoming team, safety team, and leading whole-school morning meetings. In fifth grade, students engage in a self-identified impact project where they use what they have learned to take action and make the world a better place. At PMI, students' voices are both honored and celebrated. Their input and ideas are essential to our work as we create a learning environment where our students thrive and shine!

For students in grades six through eight, the Middle School gives students an opportunity to build a strong academic foundation and earn high school credits before transitioning to high school. Starting in Grade 6, students delve deeper into exploratory courses, including Art, Music, Technology, Health, Family and Consumer Science, Personal Finance, and Physical Education. By eighth grade, students can take Algebra, and all students enroll in Life Science: Biology and Spanish, offering them their first Regents courses and exam opportunities. These programs are designed to give students a strong head start on their high school education. Additionally, Pal-Mac Middle School offers a diverse range of extracurricular activities designed to enhance students' talents, build character, and foster teamwork. From sports to arts and academic clubs, we provide opportunities for students to explore their passions and achieve excellence outside the classroom.

The High School houses students in grades nine through twelve. At Pal-Mac High School, students have many opportunities to be immersed in a hands-on, globally minded education. As an International Baccalaureate (IB) Diploma Programme school, students can participate in a wide array of challenging, but accessible coursework. In addition to IB courses, there are several AP courses, including Calculus, Computer Science, U.S. History, and AP World History. Students can jumpstart their degree early by earning college credits through our direct dual-enrollment partnerships with multiple area colleges. The High School offers more than 30 dual enrollment courses. The Project Lead The Way (PLTW) STEM pathway offers hands-on problem-solving coursework utilizing cutting-edge technology in partnership with MCC and RIT. Plus, with the launch of our brand-new Agriculture CTE program, you will gain real-world, technical skills in modern agricultural science and emerging technologies. Students also have the ability to attend Wayne Technical and Career Center to gain real world experiences in career fields like cosmetology, nursing, early child education, welding, auto technician and more. Pal-Mac High School also offers several extracurricular opportunities. There is an award-winning musical theater program. Students can participate in clubs including Robotics, Tech Club, Model UN, Masterminds, and many more.

Whether it is physical education class, Intrumurals, modified, or varsity sports, Pal-Mac has opportunities for students to move and play. Participating in the Palmyra-Macedon physical education programs and athletic program gives students a community-centered sports experience built around Red Raider pride, teamwork, and personal growth. Kids involved in Pal-Mac athletics enter an environment focused on education-based sportsmanship, where developing leadership, resilience, and character carries as much weight as winning games. Because the district regularly earns recognition as a NYSPHSAA School of Excellence, student-athletes experience a supportive culture that balances competitive drive on the field with academic achievement in the classroom. Ultimately, kids leave the program with strong physical habits, lasting friendships, and practical life skills that serve them well beyond graduation.

The District provides comprehensive Special Education and Student Support Services tailored to the unique needs of every student. Equitable access to a high-quality education is fundamental, regardless of a student's individual learning profile. Currently, District programs serve 193 students with Individualized Education Programs (IEPs) within our own schools, while ensuring appropriate support and oversight for 37 students who require specialized placements outside the District. In addition, early intervention and support is provided for 13 preschool students with IEPs and accommodations for 94 students with 504 plans.

Pal-Mac’s dedicated staff is equipped to address a diverse range of learning needs, including learning disabilities, health impairments, autism, speech or language impairments, intellectual disabilities, emotional disabilities, and multiple disabilities. By focusing on individualized support, inclusive practices, and the "whole child" approach, Pal-Mac ensures that every student has the necessary resources, interventions, and environment to thrive academically, socially, and personally.

Community & School Culture

Pal-Mac's culture can be characterized as deeply community-oriented, forward-thinking, and fiercely dedicated to the development of the whole child.
The heartbeat of Pal-Mac's culture is its recently-adopted Mission, Vision, and Core Values.

- Learn & Grow: The district places a heavy emphasis on individualized learning and resilience. The culture values teaching students to overcome challenges and develop essential "soft skills"—such as teamwork, collaboration, and active listening—that employers and higher education institutions value.
- Contribute: Pal-Mac defines student success not just by grades, but by how students use their skills to "positively influence and serve the common good." Whether a student's path leads to college, a trade school, the military, or directly into the workforce, the district's goal is to help them find their individual passion so they can give back to the world.
- Core Values: The district explicitly operates on a set of core values that prioritize student-centric decision-making, positive relationships, integrity, honesty, and fostering a deep sense of belonging and safety.

Pal-Mac students actively engage with the local community as part of efforts to foster active, empathetic citizens. Notable traditions include:

- "Rake for Their Sake": An annual community service project where students take to the streets to rake leaves for local residents, which the magazine proudly states is "what being a Red Raider is all about!"
- Fill-A-Bus Food Drive: Spearheaded by student groups like the Future Business Leaders of America, this massive annual tradition involves collecting thousands of food, toiletry, and paper product donations across the district's schools, packing them into a school bus, and delivering them to local food pantries.
- Everyday Acts of Kindness: The publications regularly highlight students bringing treats to first responders, doing yard work at the Palmyra Community Center, running school supply drives, and playing music for the community.

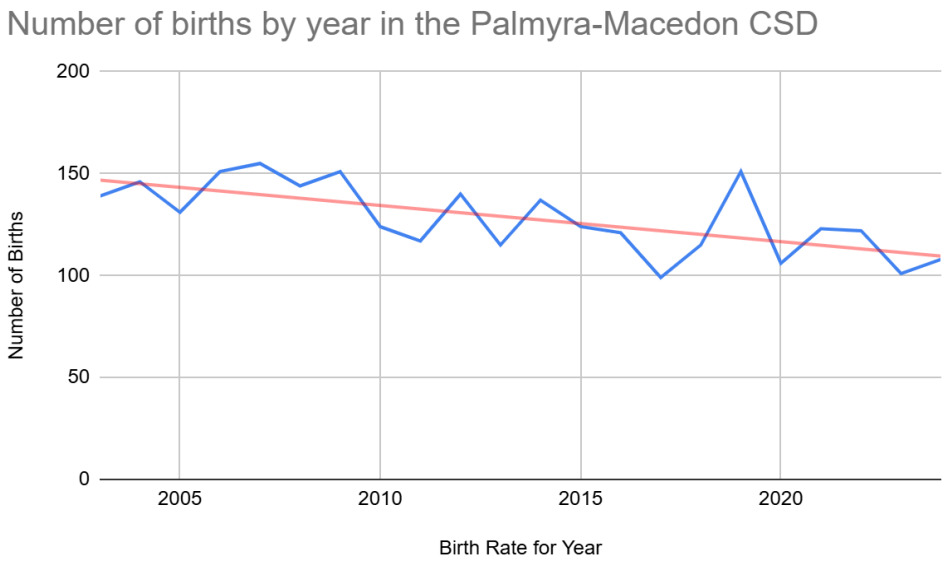
The District's Blueprint for Action Plan is the result of a collaboration with the community to plan for the future. It was built following an initiative where over 600 members of the Pal-Mac community contributed over 18,000 thoughts and comments. This shows a culture of transparency and collaboration between the district and the families it serves.

The District is likewise reflective and proud of its roots. Pal-Mac celebrates over 75 years as a school district. The District's culture honors the legacy of past educators and alumni while acknowledging how much technology and learning have evolved.

What is Impacting Public Education in New York Today?

A number of factors are affecting the operation of public school districts in New York State today. State standards continue to evolve, requiring students to demonstrate many different skill sets in order to attain a high school diploma. These standards are driven by a rapidly changing world where more skills than ever before are required in order to be successful in college, the world of work, or both. Pressures on schools to increase the number of students who successfully complete high school continue to mount. In short, the state is requiring more of students, and communities want to provide as many opportunities as possible for their young people.
At the same time that communities strive to do more for their students, enrollments in many school districts are declining.

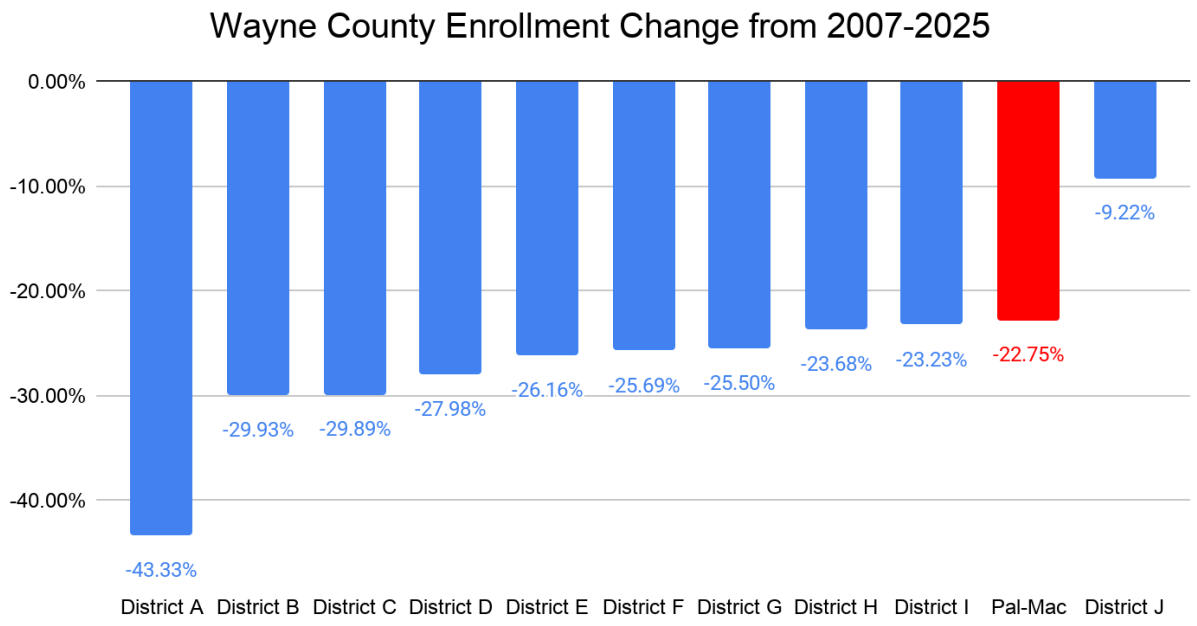
Enrollment Trends



Source: New York State Department of Health

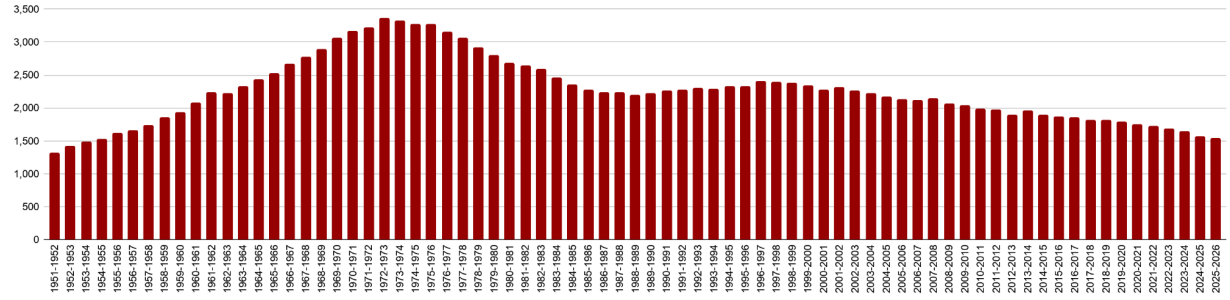
Year	2000 Census	2010 Census	2020 Census
Population of Pal-Mac CSD	12,536	13,054	12,794
Wayne County	93,736	93,772	91,283

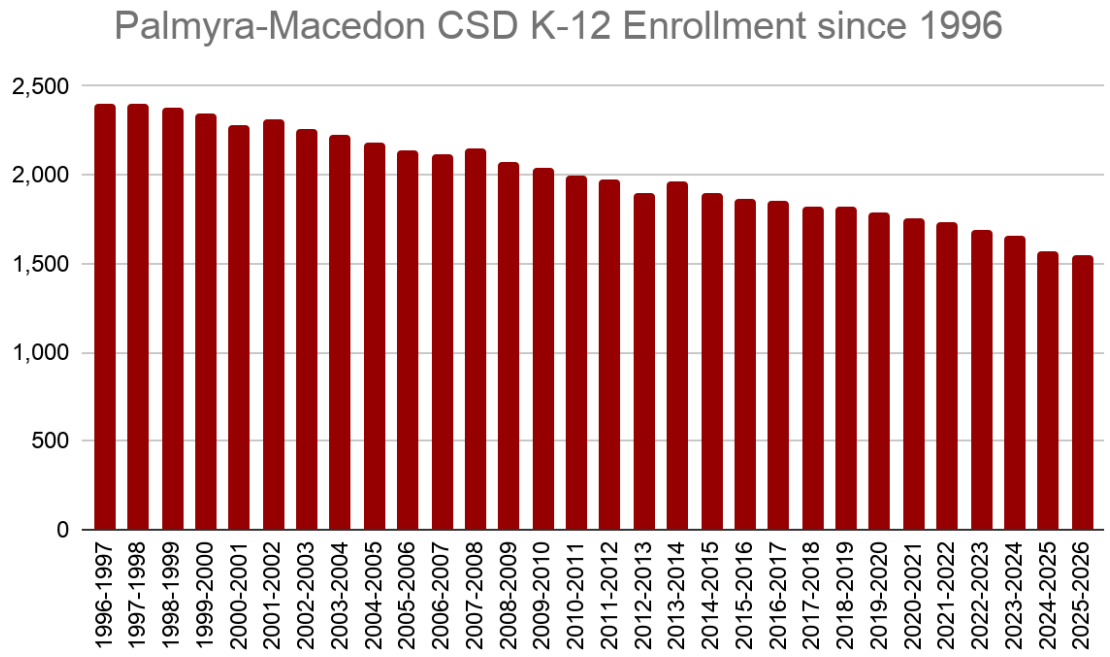
Source: Cornell Program on Applied Demographics and Census Reporter



Historical Perspective

Palmyra-Macedon CSD K-12 Enrollment (1951 to present)





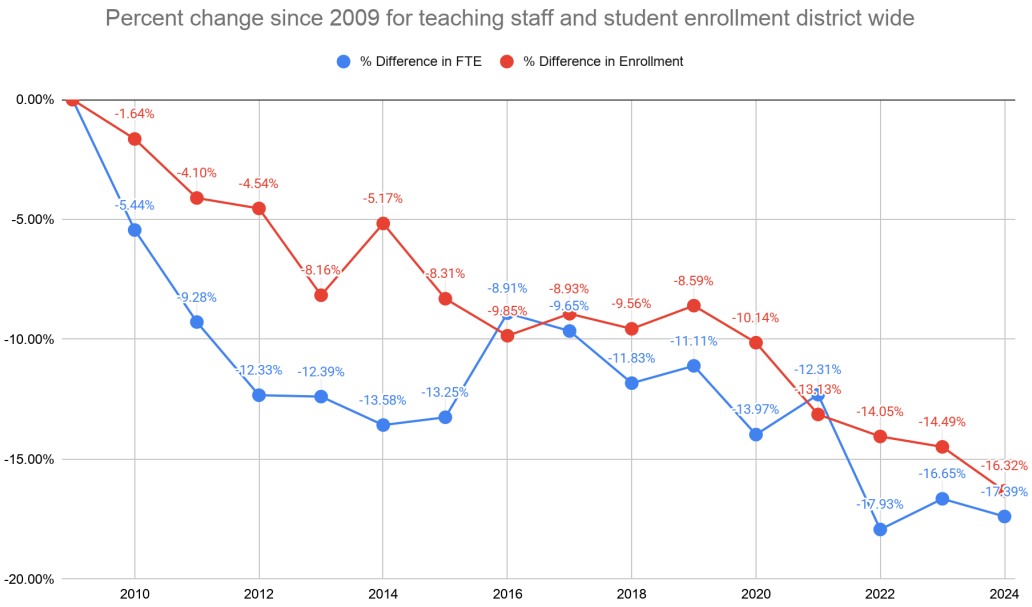
The enrollment in 2025-2026 was 1,542 students K-12, this is the lowest enrollment since the 1954-1955 school year for Palmyra-Macedon.

Like many school districts across New York State, Palmyra-Macedon has experienced a steady decline in student enrollment over the past several years. This is not unique to our community. Lower birth rates, changing demographics, and other factors have resulted in fewer school-age children throughout much of the region.

While fewer students may sound like it should simply mean smaller classes, the reality is much more complex.

Many of the costs of operating a school district remain the same whether we serve 2,000 students or 1,600 students. School buildings still need to be heated and maintained. Buses still travel their routes. Technology systems still operate. Students continue to need counselors, nurses, librarians, administrators, and specialized support services.

At the same time, declining enrollment often means fewer students in classrooms. Smaller class sizes can be a benefit for students, but over time they may also result in staffing levels that are no longer financially sustainable. Because employee salaries and benefits account for approximately 70 to 80 percent of the District's annual budget, even small changes in staffing have a significant impact on long-term financial stability. The District continues staffing rightsizing based on declines in enrollment - primarily through attrition following resignations and retirements. The 2025-2026 budget included a reduction of 8.0 full-time equivalent (FTE) positions, and the 2026-2027 budget included a reduction of 14.7 FTE.



These questions are not about reducing educational opportunities. They are about ensuring that every staff position, every program, and every resource is aligned with the needs of today's students.

Throughout its history, Pal-Mac has adjusted to meet changing needs. As enrollment grew, the District expanded programs and staffing. As enrollment changes in the opposite direction, we have the same responsibility to thoughtfully evaluate how our schools are organized.

In the summer of 2009, the District along with the 10 other school districts in Wayne County, examined ways of maximizing educational opportunities for students, and the potential savings, management improvements, and benefits to the community. The study was specific to the development of regional high schools (which the NYS legislature has yet to authorize as a model) with some results and recommendations applicable to this current study to develop Strategic Options for Long-Term Fiscal Sustainability in the Palmyra-Macedon Central School District.

As districts strive to provide more for their students, financial challenges continue to grow in the nation and in New York State in particular. The national economy is more precarious than it has been in decades. The state budget faces regular yearly deficits that impact the ability to plan for available revenues with any type of certainty. Fixed costs for school districts continue to rise. It is clearly time to begin discussions about doing business differently.

IV. Finances of the School District

Financial Statements and Accounting Procedures

The financial statements of the School District are audited each year by an independent certified public accountant.The School District complies with the Uniform System of Accounts as prescribed for school districts in the State by the State Education Department and the Department of Audit and Control. This system differs from generally accepted accounting principles as prescribed by the American Institute of Certified Public Accountants' Industry Audit Guide, "Audits of State and Local Governmental Units" and codified in Government Accounting, Auditing and Financial Reporting (GAAFR), published by the Governmental Accounting Standards Board ("GASB"). The financial affairs of the School District are subject to periodic compliance review by the Office of the State Comptroller to ascertain whether the School District has complied with the requirements of various state and federal statutes.

Fund Structure and Accounts

The General Fund is the general operating fund for the School District and is used to account for substantially all revenues and expenditures of the School District. The School District also maintains special revenue funds which are used to account for special aid and school lunch programs. A capital projects fund is used to record capital transactions while a trust and agency fund accounts for moneys received by the School District in a fiduciary capacity.

Basis of Accounting

The School District's governmental funds are accounted for on a modified accrual basis whereby revenues, other than those susceptible ("measurable" and "available" to finance current operations) to accrual, are recorded when received in cash. Revenues susceptible to accrual include real property taxes and State aid. The School District generally records expenditures on the accrual basis when fund liabilities are incurred, except for interest on general obligation debt which is recorded when it becomes due. Pension costs billed to the School District by the State are recorded as expenditures in full in the fiscal year billed. The estimated unbilled portion of these pension costs for governmental funds are shown as a liability on the balance sheet of the general long-term debt accounts group. Accumulated vacation and sick leave are also accounted for in the general long-term debt account group. Inventories are generally not recorded but expensed at the time of purchase; food and supplies in the school lunch fund are inventoried and carried at values which approximate market. Fixed assets are recorded at replacement costs as determined by appraisal; all capital assets, except land, are depreciated on a straight-line basis over their estimated useful lives.

Investment Policy

The Board has adopted an investment policy and such policy conforms to applicable laws of the State governing the deposit and investment of public moneys. All deposits and investments of the School District are made in accordance with such policy.

The primary objectives of the School District's investment policy are, in priority order, as follows:

- To conform to all applicable federal, State and other legal requirements.
- To adequately safeguard principal.
- To provide sufficient liquidity to meet all operating requirements.
- To obtain a reasonable rate of return on invested funds.

Pursuant to State law, including Sections 10 and 11 of the General Municipal Law (the "GML"), the School District is generally permitted to deposit moneys which are not required for immediate expenditure in banks or trust companies located and authorized to do business in the State. All such deposits, including special time deposit accounts and certificates of deposit, in excess of the amount insured under the Federal Deposit Insurance Act, are required to be secured by either a pledge of eligible securities, an eligible surety bond or an eligible letter of credit in accordance with the provisions of and subject to the limitations of Section 10 of the GML.

The School District may also temporarily invest moneys in: (1) obligations of the United States of America; (2) obligations guaranteed by agencies of the United States of America where the payment of principal and interest are guaranteed by the United States of America; (3) obligations of the State; (4) with the approval of the State Comptroller, tax anticipation notes or revenue anticipation notes issued by any municipality, school district, or district corporation, other than those notes issued by the School District itself; (5) certificates of participation issued in connection with installment purchase agreements entered into by political subdivisions of the State pursuant to Section 109-b(10) of the GML; (6) obligations of a New York public benefit corporation which are made lawful investments for municipalities pursuant to the enabling statute of such public benefit corporation; or (7) in the case of moneys held in certain reserve funds established by the School District pursuant to law, obligations of the School District.

Budgetary Procedures

During November and December, the preliminary budget for the ensuing fiscal year is developed and refined in consultation with school principals and department supervisors. At subsequent meetings of the Board the proposed budget is discussed and further refined. The tentative budget is adopted by the Board in April and submitted to referendum at the Annual Meeting held on the third Tuesday of May. Prior to the Annual Meeting, a public hearing is held with respect to the proposed budget. Pursuant to Chapter 97 of 2011 Laws of New York, beginning with the School District's 2012-13 fiscal year, if the proposed budget requires a tax levy increase that, after permissible exemptions are applied, that does not exceed the lesser

of 2% (subject to certain allowed adjustments) or the increase in a designated measure of the consumer price index ("CPI") commonly referred to as the "Tax Cap," a simple majority affirmative vote is required for approval. If the proposed budget requires a tax levy increase that exceeds the Tax Cap, the budget proposition must include special language and a 60% affirmative vote is required for approval. Any separate proposition that would cause the School District to exceed the Tax Cap also must receive at least 60% voter approval. The School District has not exceeded the Tax Cap in any year. If the proposed budget is not approved by the required margin, the Board may resubmit the original budget or submit a revised budget to the voters on the third Tuesday in June or adopt a contingency budget (which would provide for ordinary contingent expenses, including debt service) that levies a tax levy no greater than that of the prior fiscal year. If the resubmitted or revised budget is not approved by the required margin, the Board must adopt a budget that requires a tax levy no greater than that of the prior fiscal year. The District's budget for the 2026-27 fiscal year was approved by the voters on May 19, 2026. Appropriations established by adoption of the general fund budget constitute a limitation on expenditures (and encumbrances) which may be incurred by the School District. Appropriations lapse at the end of the fiscal year unless expended or encumbered.

V. The Fiscal Reality

We promise students and families that every child who walks through our doors will have opportunities to learn, grow, discover their passions, and prepare for a successful future. We promise safe schools, caring adults, meaningful experiences, and an education that opens doors long after graduation.

The annual budget is simply how we keep those promises.

For many years, those promises have been possible because our community has invested in its schools and New York State has partnered in that investment. Together, those resources allowed Pal-Mac to build the educational experiences that generations of students have enjoyed.

Today, however, the world around us has changed.

Like every family and business, school districts are paying more for nearly everything. Employee salaries and benefits continue to rise. Health insurance costs increase each year. Utilities, transportation, instructional materials, technology, and building operations all cost more than they did just a few years ago. Schools are also being required to provide services that barely existed a generation ago, including expanded mental health supports, enhanced school safety measures, specialized services for students with disabilities, and new learning opportunities that prepare students for an increasingly complex world.

These are not optional expenses. They are essential investments in today's students.

Unfortunately, the funding available to support these responsibilities has not grown at the same pace.

More than half of every dollar Pal-Mac receives comes from New York State. For years, Foundation Aid has been the State's primary investment in helping districts provide a quality education. Yet the way Foundation Aid is distributed is changing. As student enrollment declines across much of New York, more and more school districts no longer receive funding based on the Foundation Aid formula. Instead, they receive only the State's minimum annual increase, even when their actual costs are rising much faster.

Just three years ago, about one-third of New York school districts were receiving only the minimum Foundation Aid increase. Today, nearly *eight out of every ten districts* are in that position. In many ways, districts across the state are running up the down escalator: costs continue to climb while revenues struggle to keep pace.

At the same time, New York's property tax levy cap limits how much additional revenue local communities can raise each year, even when inflation and operating costs continue to increase.

The result is a challenge facing school districts across New York, not because they have been irresponsible, but because the financial landscape has fundamentally changed.

This is not a one-year budget problem. It is a long-term structural challenge. Year after year, the cost of delivering the educational experience our students deserve is growing faster than the revenues available to support it.

The District has carefully managed spending, pursued grants, shared services, found efficiencies, and made difficult decisions to protect classrooms whenever possible. Those efforts have been responsible stewardship of taxpayer dollars, but they cannot permanently overcome a system in which expenses consistently outpace revenues.

The promises we make to our students have not changed.

What must change is *how* we deliver on those promises.

Throughout our history, the Palmyra-Macedon community has never stood still when the needs of students changed. The creation of our centralized school district in 1950 required vision and courage from community members who understood that yesterday's model would not meet tomorrow's needs. They chose to invest in a stronger future for the children who would follow.

Today, we stand at a similar moment.

Our responsibility is not simply to balance a budget. Our responsibility is to ensure that the next generation of Pal-Mac students receives an education that is financially sustainable, academically excellent, and designed for the world they will inherit, not the one we grew up in.

Public schools across New York are facing financial pressures unlike any seen in recent decades. These challenges are not unique to Pal-Mac, nor are they the result of local decisions. They are part of a statewide trend affecting school districts of every size.

Like most organizations, the District experiences rising costs each year. Salaries and employee benefits increase through negotiated contracts. Health insurance premiums continue to rise faster than inflation. The costs of electricity, heating, transportation, supplies, and everyday operations have all increased significantly. At the same time, schools are expected to provide more services than ever before, including expanded mental health supports, specialized programs for students with disabilities, enhanced school safety measures, and new educational opportunities required by state and federal law.

Unfortunately, the revenues available to support these growing responsibilities have not kept pace.

One of the largest sources of revenue for New York schools is Foundation Aid. While Foundation Aid has been an important investment in public education, the formula used to calculate aid has become less effective for many districts. As student enrollment declines across much of New York, more school districts, including Pal-Mac, receive only the State's minimum annual increase rather than funding based on the actual formula.

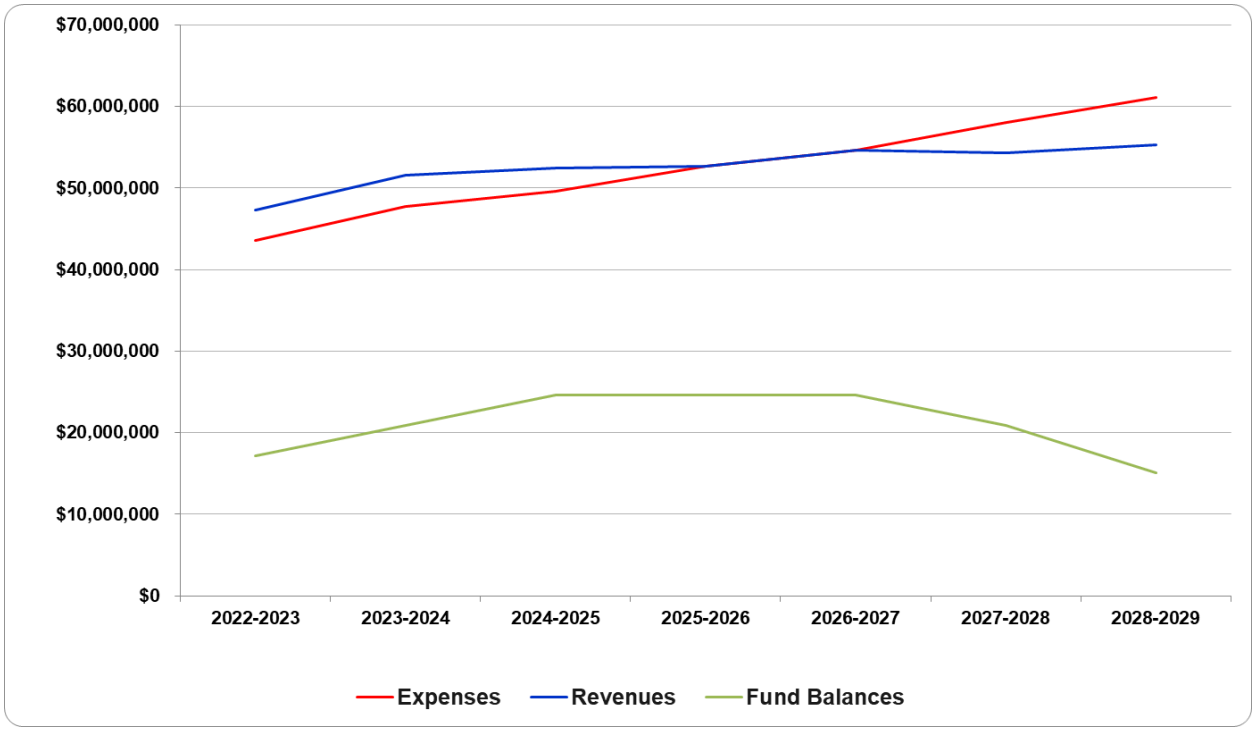
At the same time, local school districts have limited ability to make up the difference. New York's property tax levy cap restricts how much revenue can be raised locally each year, even as expenses continue to climb.

The result is a structural budget imbalance. Simply put, the cost of operating schools is increasing faster than the revenues available to support them. This is not a one-year problem that can be solved through temporary budget reductions. It is a long-term challenge that requires thoughtful planning and long-term solutions.

Pal-Mac has worked diligently to manage taxpayer dollars responsibly. The District has reduced expenses where possible, pursued grants and outside funding, shared services with regional partners, and carefully evaluated spending decisions. These efforts have helped delay more significant reductions, but they cannot permanently overcome a funding system that is no longer keeping pace with the real cost of providing a high-quality education.

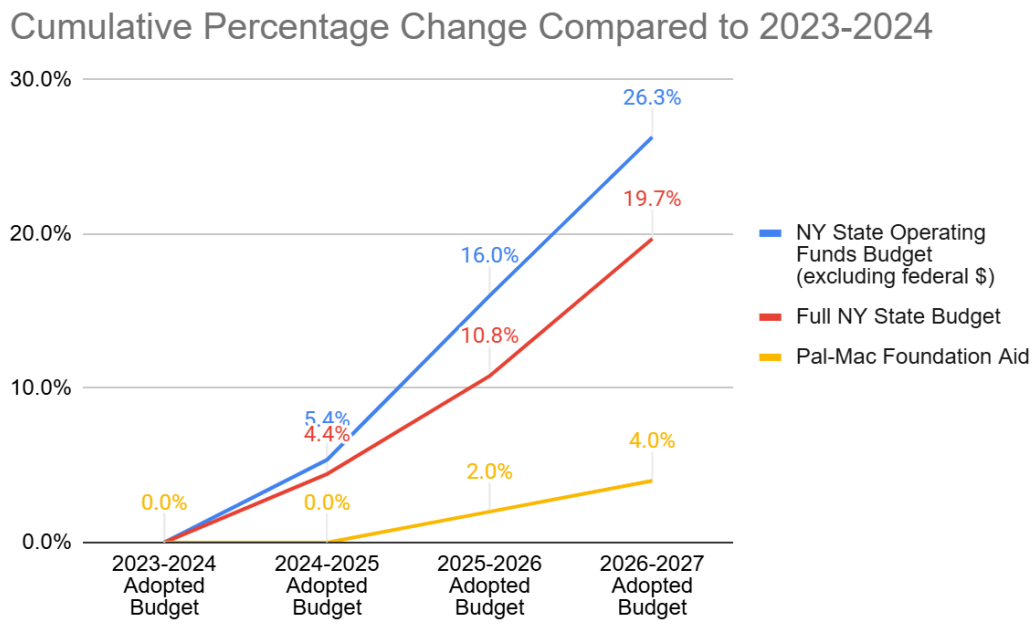
The question is not whether change is necessary. The financial realities make that clear. The question is how we thoughtfully redesign our educational program so that students continue to receive the exceptional educational experience that our community has valued for generations.

Current multi-year projections show expenditures outpacing revenues by more than $5.8 million by 2028-2029.



Expenditure drivers include contractual salary and benefit growth, health insurance increases, energy and operational costs, and special education mandates and costs. For instance, minimum wage has increased by 78% over the past decade - placing upward pressure on salaries across the state.

At the same time, the District's two primary revenue sources are constrained. More than 50% of District revenue is New York State School Aid. New York State Foundation Aid, the State's general operating aid for school districts, has not kept pace with inflation, with need, or with the rest of the New York State budget.



Over the past 3 years, New York State's Foundation Aid to Pal-Mac has increased an average of only +1.33% annually, at the same time that New York State's own Operating Funds Budget has increased by an average of +8.77% annually.

The District's second-largest revenue source, the local school property tax, is similarly limited by the State's Tax Levy Limit, otherwise known as the Tax Cap.

Repeated Foundation Aid shortfalls year after year leave districts with no indication to expect anything different in the future. The implication is that temporary adjustments will not suffice. This is a structural imbalance requiring structural responses.

VI. Guiding Principles

As we consider the future of the Palmyra-Macedon Central School District, one thing is certain: every decision must begin with what is best for students while also ensuring the District remains financially strong for generations to come.

The recommendations that follow were not developed to simply reduce expenses. They were developed using a set of guiding principles that reflect our values, our responsibilities, and our commitment to the future of our community.

Student-Centered Decision Making

Students are the reason schools exist. Every recommendation must improve, protect, or preserve opportunities that help students learn, grow, and prepare for successful lives after graduation.

The goal is not simply to help students earn a diploma. It is to prepare them for college, careers, military service, and life. Decisions should expand meaningful learning experiences, encourage students to discover their strengths and interests, and provide opportunities that help every student reach their full potential.

Guided by Our Mission, Vision, and Core Values

Our Mission and Vision are more than statements on a website—they are our promise to the community. Every decision should move the District closer to fulfilling that promise.
As we prepare students for a rapidly changing world, we must continue developing graduates who are curious learners, open-minded thinkers, creative innovators, effective problem-solvers, responsible citizens, and positive contributors to their communities. Any changes we make should strengthen these qualities, not weaken them.

OUR MISSION

Learn. Grow. Contribute.

LEARN

Instruction will be offered by highly-trained and skilled faculty members that is aligned to the requirements of New York State in order to inspire students to be their best selves and develop the necessary attributes to have a successful future. Curriculum reflects the importance of belonging partnered with specific learner traits and academic outcomes.

GROW

We recognize every student as an individual and each comes to school with a varied experience. We work to meet students at their independent levels while holding high expectations for continued development over time (semesters, grade levels, schools and PK-12 program). Equally important for students is the development of teamwork and collaboration, top skills looked for by employers, so our students respect others' time, can actively listen, and have the necessary foundation for success in a career.

To honor growth, we use a model of professional learning communities. In our collaborative culture, student performance is shared and discussed in order to provide support and create opportunities. At Pal-Mac, children are not test scores and numbers. Student data are used to inform teaching practices and lesson plans, to tailor support for individual students, and are coupled with our belief in the "whole child," taking into consideration the academic, social, emotional, and physical well-being of our students.

CONTRIBUTE

We believe that students can best serve as citizens when they explore their hopes and dreams and unleash their talents through their learning experiences. To do this, students acquire a set of skills that prepares them to share their passions with the world, positively influencing and serving the common good.

After High School, some students may choose to attend college or a trade school to further develop their passion. Others may elect to go directly into the workforce or the military to foster their skills to influence the world around them. The key element is that each student finds their individual passion and has a means for the skills they acquire as a Pal-Mac student to positively influence the world around them.

OUR VISION

"Ready"

As a Pal-Mac community, we strive for our students to be positive contributors who have the skills necessary to be citizens, participate in the economy, and make a difference in the world around them.

Being READY means that it is our collective vision that every student at Pal-Mac:

- Will have the opportunity to enroll in coursework that provides individualized skill development;
- Will be resilient in the face of challenge;
- Will engage as citizens to positively influence the world; and
- Will graduate from Pal-Mac with the credential best suited for their path forward.

Fiscal Responsibility

The community expects the District to be a responsible steward of every tax dollar entrusted to it. That responsibility requires us to spend within our means while continuing to provide an outstanding education for students.

A budget cannot rely on one-time savings or temporary solutions year after year. Long-term financial stability means matching ongoing expenses with ongoing revenues so that today's decisions do not create larger problems tomorrow.

Equity and Access

Every student deserves access to high-quality learning opportunities, regardless of their background, interests, or individual needs.

As changes are considered, we must carefully evaluate how they affect students across the District. No single group of students should bear an unfair share of the impact. Our goal is to preserve equitable opportunities while making thoughtful and responsible decisions for the District as a whole.

Long-Term Solutions, Not Short-Term Fixes

The financial challenges facing public education are not temporary. Because of that, our solutions cannot be temporary either.
While short-term reductions may postpone difficult decisions, they rarely solve the underlying problem. Instead, our focus must be on building a District that is financially sustainable, academically strong, and flexible enough to meet the needs of students for many years to come.

Looking Ahead

These guiding principles provide the framework for every recommendation in this report. While reasonable people may disagree about individual proposals, each recommendation has been measured against the same questions:

- Does it put students first?
- Does it reflect our Mission, Vision, and Core Values?
- Is it financially responsible?
- Does it preserve fairness and opportunity for students?
- Will it strengthen the District not just for next year, but for the next generation?

These questions will continue to guide our work as we shape the future of the Palmyra-Macedon Central School District.

VII. Strategic Options

The following menu of options outline potential paths for ensuring our District remains fiscally sustainable in the years ahead. These strategies are intended to encourage us to look beyond immediate constraints toward a model that truly serves today's students and tomorrow's needs. This report does not make specific recommendations from this menu; recommendations will follow at a later stage.

The core question is simple:

> Are we organized and staffed for the district we have today, or for the district we served years ago?

Answering that question honestly will help ensure that our financial resources remain focused where they matter most, providing outstanding learning experiences for every student while preserving the long-term strength of the District.

- Are class sizes balanced across grade levels?
- Are staffing levels aligned with the number of students we now serve?
- Are specialized programs staffed appropriately for current enrollment?
- Have support and intervention positions grown over time in ways that should be reviewed?
- Are our buildings, schedules, and organizational structures designed for today's enrollment or for a district that was significantly larger years ago?

Horizon 1: Empowering Students for Lifelong Success

Pal-Mac is committed to helping every student learn, grow, and confidently step into their future. Recently recognized by *U.S. News & World Report* as one of the top public high schools in the nation—and placing in the top five in the Greater Rochester area—Pal-Mac is proving that our educational community is robust, forward-thinking, and firmly on track to deliver excellence.

Expanding Pathways

The District prepares students for diverse post-secondary pathways, ensuring every individual has the tools they need to succeed in college, the military, or the workforce. Our expansive academic landscape includes:

- Robust College Credit Opportunities: Through Advanced Placement (AP) courses and extensive Dual Enrollment options, Pal-Mac students can earn college credits before they even graduate. We proudly partner with FLCC, MCC, RIT, and SUNY Oneonta to give our students a highly accessible head start on their higher education.
- The International Baccalaureate (IB) Diploma Programme: Ranked #44 in New York State for College Curriculum Breadth and #46 for College Readiness, our comprehensive IB program equips students with the advanced skills, research capabilities, and flexible mindset required to thrive at the collegiate level and beyond.

- Career Training & BOCES Partnerships: Students can access 17 specialized technical training pathways through the Wayne-Finger Lakes BOCES Wayne Technical & Career Center (WTCC), providing hands-on experience in high-demand career fields.
- Project Lead the Way (PLTW): We offer an international pre-engineering pathway focused on design concepts, real-world problem-solving, and additional college credit options.
- Micro-Credentialing: Through tailored learning opportunities, students can now earn verifiable recognition for specialized skills, software mastery, and project completion, making their abilities visible and attractive to future employers and colleges.

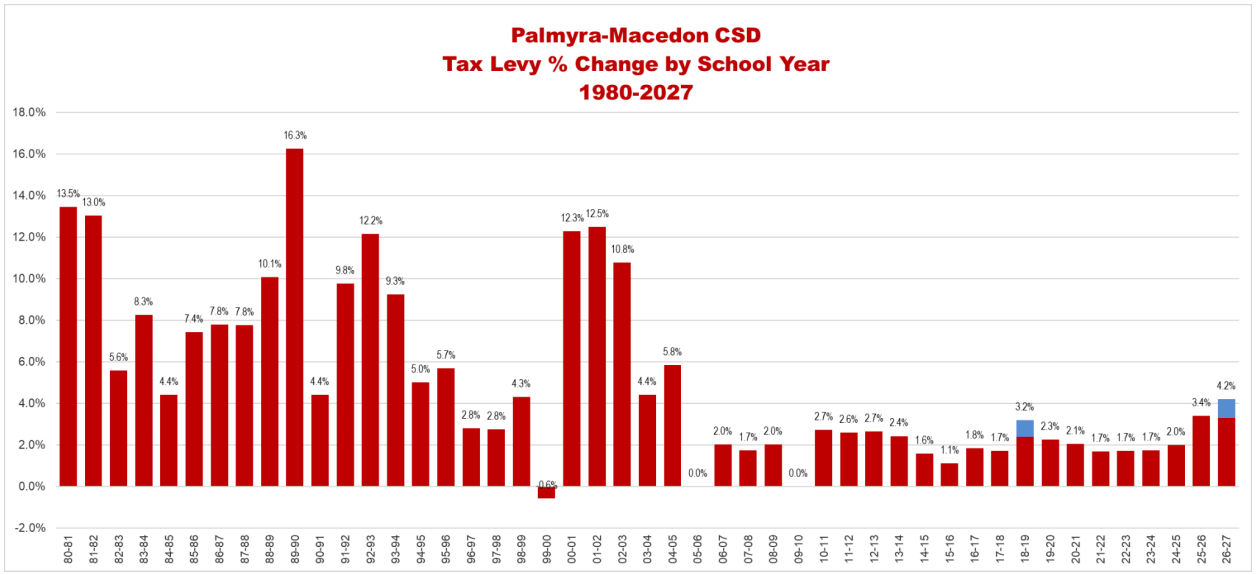
Backed by the District's incredibly dedicated faculty and staff whose unwavering commitment recently earned Pal-Mac the title of one of Rochester's "Top Workplaces" by the *Democrat and Chronicle* and *USA Today* for the second consecutive year. Pal-Mac CSD is continuously expanding opportunities. We aren't just preparing students for graduation; we are actively ensuring they have the tools, credits, and pathways needed for a successful future.

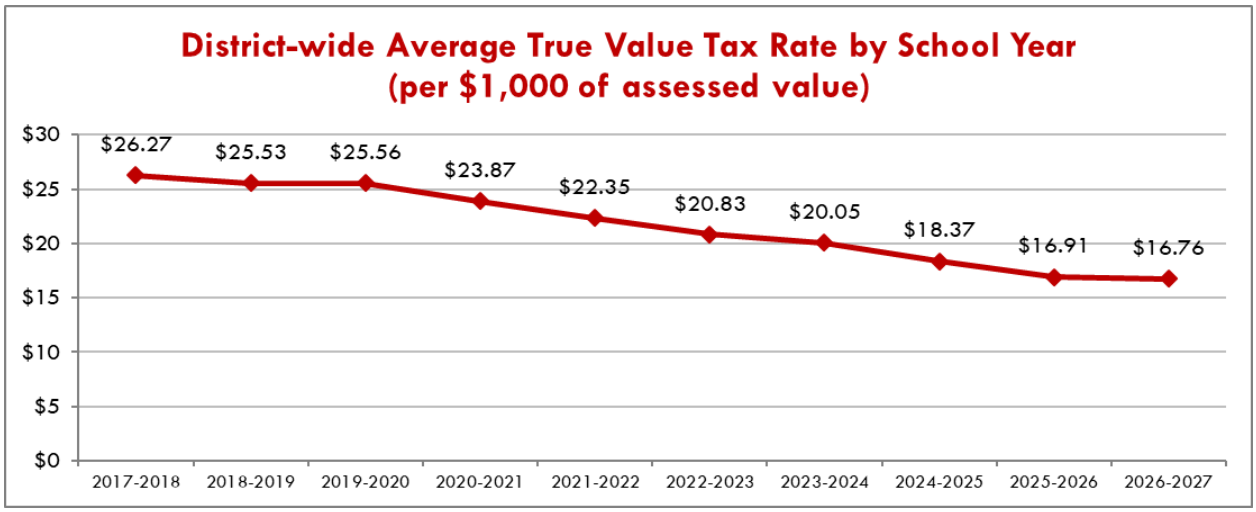
Horizon 2: Transform (Short-term)

Some opportunities can be explored and, if appropriate, implemented over the next one to three years. These options focus on improving educational opportunities while also strengthening the District's long-term financial health. None of these ideas should be viewed in isolation. Together, they represent opportunities to better align our schools with today's students and tomorrow's financial realities.

A. Raise Taxes Significantly
Absent other structural changes, forecasts indicate a budget deficit of nearly $6 million within 2 years. Closing that deficit with a tax levy increase alone would require a 25% one-time school tax increase. A proposed tax increase greater than the State's Tax Levy Limit, or Tax Cap, would require a 60% supermajority of Pal-Mac voter approval in order to be implemented. If expenditures continue to rise at a greater rate than State School Aid revenue, further increases would also be necessary.

For perspective, while double-digit tax levy percentage increases were common in the 1980s through early 2000s, it has been more than 20 years since the District's annual tax levy increased by more than 5%.





B. Significant Reductions in Student Programs

While our goal remains to preserve the rich, high-quality experience that defines a Pal-Mac education, structural deficits may eventually require difficult tradeoffs. Absent other structural changes, significant reductions in student programs may be required, such as:

- Significantly increasing class sizes
- Reducing or eliminating electives and specialized courses
- Reducing or eliminating extracurriculars and athletics
- Reducing or eliminating non-mandated services
- Reducing or eliminating community use of facilities outside of school hours
- Limiting transportation services to those strictly mandated by New York State law
- Reducing or eliminating field trips and assemblies

These decisions are the most difficult a District can face. Our objective in listing them is not to suggest that these programs lack value, but to clearly identify the areas that would be impacted if we cannot achieve long-term financial stability through other, less restrictive strategies.

C. Making the Best Use of Our Buildings

Our school buildings are among the community's greatest assets. As enrollment changes, it is important to ensure that every building is being used as effectively and efficiently as possible. This begins with the question:

How can we best use the facilities entrusted to our community to support students for the next generation?

- Building age, capacity and utilization.
- Operating and maintenance costs.
- Educational programming needs.
- Long-term capital investments.
- Opportunities for community partnerships.

Possible outcomes could include:

- Reconfiguring grade levels to allow for the closure of a building.
- Repurposing underutilized space for educational or community partners.
- Expanding partnerships with Wayne-Finger Lakes BOCES or other educational organizations.
- Leasing appropriate space to organizations that complement the District's mission.
- Shared use agreements with neighboring school districts or local municipalities.

While any change to building use would have a significant impact on the community, it could also reduce long-term costs associated with utilities, maintenance, staffing, and future capital improvements. More importantly, it would allow the District to concentrate resources where they have the greatest impact on student learning.

Why These Opportunities Matter

Neither changing grade configurations nor studying facility use is about doing less for students. They are about organizing the District differently so that more of every education dollar reaches classrooms and students rather than supporting excess capacity that no longer reflects current enrollment.

The schools our community built decades ago were designed to serve the students of that time. Our responsibility is to ensure that today's organization is equally well designed for the students who will attend Pal-Mac in the years ahead.

The guiding question remains:

How can we organize our schools so they provide the greatest educational opportunities while remaining financially sustainable for future generations?

D. Welcoming Students Through Tuition-Based Enrollment

Another option for consideration is reopening tuition-based enrollment for non-resident students. Families from neighboring communities may choose Pal-Mac because of its academic programs, extracurricular opportunities, student support systems, or school culture. Accepting tuition-paying students, when classroom space is available, could generate additional revenue while helping sustain programs that benefit all students.

Any tuition enrollment program would be carefully designed to:

- Protect opportunities for Pal-Mac resident students.
- Maintain appropriate class sizes.
- Follow all New York State laws and Board of Education policies.
- Ensure tuition rates fully offset the cost of educating non-resident students.
- Comply with New York State Public High School Athletic Association (NYSPHSAA) and Section V rules regarding residency and classification.

Thoughtfully managed enrollment growth could strengthen both educational opportunities and the District's financial position.

E. Delivering Student Support in the Most Effective Way

Pal-Mac is committed to providing every student with the support they need to succeed.

As student needs continue to evolve, it is appropriate to periodically review how special education services are delivered to ensure they remain educationally effective, fully compliant with state and federal law, and financially responsible.

A review could include:

- Balancing consultant teacher and resource room services.
- Evaluating student groupings and instructional models.
- Reviewing program placements and service delivery.
- Ensuring staffing aligns with current student needs.

The goal is to provide the right services, at the right time, in the right setting, while making the best use of available resources.

F. Ensuring Every Program Creates Meaningful Value

Pal-Mac has long been proud of the many opportunities available to students. As enrollment changes, however, it is important to periodically ask whether every course and program continues to provide meaningful educational value.

This review is about ensuring that resources are focused on the opportunities that have the greatest impact on students.

Areas for consideration include:

- Reviewing bell schedule.
- Assess relevance of all course offerings.
- Establishing minimum enrollment guidelines for electives.
- Rotating specialized courses from year to year.
- Creating interdisciplinary courses that connect multiple subject areas.
- Expanding project-based, experiential, and career-connected learning.

G. Aligning Our Workforce with Student Needs

People are the District's greatest resource and also its largest investment. Approximately three-quarters of the District's annual budget supports the dedicated teachers, administrators, and staff members who serve students every day.

As enrollment changes and educational priorities evolve, staffing should also evolve thoughtfully and responsibly.

Future staffing decisions should focus on:

- Aligning staffing levels with student enrollment.
- Filling vacancies strategically through attrition whenever possible.
- Cross-certifying and reassigning staff to meet changing needs.
- Exploring more flexible staffing models.
- Reviewing both instructional and non-instructional positions to ensure resources are aligned with student priorities.

The goal is not to reduce staffing simply to reduce costs. The goal is to ensure that every position directly supports student learning while maintaining the District's long-term financial health.

Whenever possible, adjustments should occur gradually through retirements, resignations, and natural attrition rather than abrupt reductions.

As difficult as staffing decisions can be, every position represents resources that could otherwise support new educational opportunities for students. Responsible stewardship requires balancing both commitments.

H. Expanding Learning Through Regional Partnerships

Today's technology and regional partnerships make it possible to offer students more learning opportunities than any single school district can provide alone.

Rather than each district trying to offer every course independently, neighboring school districts can work together to expand opportunities while using taxpayer dollars more efficiently.

Potential opportunities include:

- Sharing Advanced Placement, college-level, and specialized elective courses through distance learning.
- Sharing teachers for low-enrollment or highly specialized classes.
- Expanding partnerships with Wayne-Finger Lakes BOCES.
- Coordinating regional schedules to make shared programming easier for students.

These approaches allow students to access a wider variety of courses while reducing the cost of operating programs with only a handful of students.

Success will require collaboration, flexibility, and a willingness to think beyond traditional district boundaries, but regional partnerships represent one of the greatest opportunities to improve educational offerings while controlling long-term costs.

Horizon 3: Transform (Long-term)

Preparing Students for Tomorrow

The workplace our graduates will enter is changing faster than ever before.
Many of tomorrow's careers have not yet been created, while others will continue to evolve because of artificial intelligence, automation, and rapidly changing technology. Employers consistently tell schools they are looking for graduates who can communicate effectively, solve problems, work collaboratively, adapt to change, and continue learning throughout their careers.

To prepare students for this future, the District should continue shifting from isolated course offerings toward connected pathways that integrate academic learning with real-world experiences.
Potential opportunities include:

- Expanding career-connected learning.
- Building stronger partnerships with local businesses and industries.
- Increasing opportunities for internships and work-based learning.
- Growing partnerships with colleges, universities, and community organizations.
- Embedding financial literacy, communication, leadership, and problem-solving throughout the curriculum.
- Expanding opportunities for students to earn industry credentials and college credit before graduation.

These experiences better prepare students for college, careers, military service, and life while ensuring Pal-Mac remains aligned with New York State's vision for the future of education.

Further Regionalization and School District Reorganization

For more than 75 years, the Palmyra-Macedon Central School District has proudly served its communities. While our District remains strong today, responsible long-term planning requires us to consider every option that could strengthen educational opportunities and ensure financial sustainability for future generations.

One option that deserves thoughtful consideration is regionalization or school district reorganization. While often referred to simply as a "district merger," New York State provides several ways neighboring school districts can work more closely together. These range from expanded sharing of programs and services to the creation of a new, larger school district through a process known as centralization. Any reorganization would require extensive study, approval by the New York State Education Department, and, most importantly, approval by the voters of every district involved.

This is not a recommendation to merge school districts today.
Rather, it is a recognition that declining enrollment, rising educational costs, and changing state funding may make regional solutions increasingly worthy of discussion over the next decade.

Why Would a District Consider Reorganization?
A larger school district can often provide opportunities that are difficult for smaller districts to sustain on their own.

Potential educational benefits include:

- A broader selection of academic courses and electives.
- Expanded Career and Technical Education (CTE) pathways.
- More Advanced Placement, college-level, and specialized courses.
- Greater access to world languages, music, art, and extracurricular programs.
- Additional supports for students with disabilities and specialized learning needs.
- More opportunities for teachers to work within their areas of expertise.
- Increased flexibility to respond to changing student interests and workforce needs.

Perhaps most importantly, a larger district can often maintain or expand educational opportunities even as enrollment declines.

Financial Benefits
The financial advantages of reorganization can be significant.
Operating one larger school district instead of two or more smaller districts can reduce duplication in administration, business operations, transportation, purchasing, technology systems, and facility management. Larger districts are also often able to purchase goods and services more efficiently because of their size.

New York State also provides substantial financial incentives to encourage voluntary school district reorganizations.

Under current law, newly reorganized districts receive additional Reorganization Incentive Operating Aid for 14 years. Recent changes in State law have significantly increased this incentive for many districts by tying it to today's Foundation Aid formula rather than outdated funding levels. Reorganized districts may also qualify for increased Building Aid, reducing the local cost of future capital improvement projects.

These incentives can amount to millions of dollars over time, helping a newly reorganized district invest in students while reducing financial pressure on local taxpayers.

Important Questions to Consider
Reorganization is one of the most significant decisions a community can make. It involves much more than finances.

Questions that would require careful study include:

- How can each community's traditions and identity be preserved?
- What governance structure would best represent all communities?
- How would transportation and attendance zones be affected?
- Which buildings would be used, and for what purposes?

- How could educational opportunities be expanded while maintaining strong community connections?

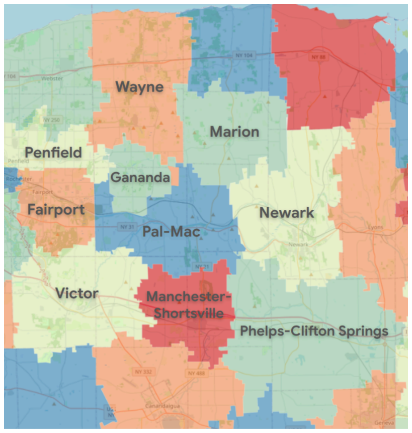
These questions deserve thoughtful analysis and meaningful public discussion.

Looking to the Future

Across New York State, many school districts are experiencing the same challenges: declining enrollment, increasing costs, and a funding system that has not kept pace with today's realities. The question is no longer whether school districts will need to evolve. The question is how they should evolve.

For Palmyra-Macedon, regionalization or school district reorganization may someday become one of several viable strategies for protecting educational quality while ensuring long-term financial sustainability. Whether that path is ultimately pursued will depend on future enrollment trends, financial conditions, educational opportunities, and—most importantly—the will of the communities involved.

Planning for the future means being willing to study every option, even those that may once have seemed unlikely. The responsibility of today's leaders is not to predict the future, but to ensure that every possibility is considered in the best interest of students, taxpayers, and the generations that will follow.



Total estimated Reorganization Incentive Operating Aid for 15 years if Pal-Mac merged with the following contiguous School Districts:

District 1	District 2	District 3	District 4	District 5
$96,498,720	$123,315,518	$102,025,432	$178,108,775	$145,802,525

District 6	District 7	District 8	District 9
$99,813,824	$163,764,154	$188,697,134	$173,117,514

Source: https://pad.human.cornell.edu/schools/reorg.cfm#MenuBar

VIII. Closing Reflection: Protecting the Future we Share

For nearly two centuries, the people of Palmyra and Macedon have believed that a strong public education is one of the greatest investments a community can make. Each generation has accepted the responsibility to leave something even better for the children who follow.

That responsibility now belongs to us.

The recommendations outlined in this report are not about reducing opportunities for students. They are about ensuring those opportunities remain available—not only next year, but for decades to come.

Throughout this report, one message has remained constant:

The promise we make to our students has not changed. What must change is how we deliver on that promise.

The financial realities facing public education are real. Enrollment patterns are changing. Student needs are evolving. The skills required for tomorrow's workforce continue to expand. At the same time, the way schools are funded has not kept pace with these changes.

Doing nothing is, in fact, a decision.

If we simply continue operating as we always have, the District will likely face recurring budget reductions year after year. Programs may slowly diminish. Staffing decisions may become increasingly reactive rather than strategic. Resources that could have expanded opportunities for students may instead be consumed by maintaining systems designed for a different time.

That is not the future our students deserve.

Instead, we have an opportunity to choose a different path.

We can thoughtfully redesign our schools before circumstances force change upon us. We can make decisions based on educational quality rather than financial crisis. We can strengthen our programs, align resources with student needs, and ensure that every dollar invested by taxpayers has the greatest possible impact on teaching and learning.

As these conversations continue, there are several commitments that must remain at the center of every decision.

First, we must protect opportunities for students. Every child deserves access to engaging coursework, the arts, athletics, extracurricular activities, career exploration, and pathways that prepare them for college, careers, military service, and life. Change should expand opportunities whenever possible—not diminish them.

Second, we must prepare students for the future, not the past. Employers consistently tell schools they need graduates who can think critically, communicate effectively, solve problems,

collaborate with others, adapt to change, and continue learning throughout their lives. Our educational system must be intentionally designed to develop these skills while providing a strong academic foundation.

Third, we must never lose sight of the human side of education. Buildings, schedules, and organizational charts matter, but relationships matter more. Every student deserves to be known, supported, challenged, and inspired by caring adults. No structural change should ever weaken that commitment.

Finally, we must continue earning the trust of our community. The decisions ahead will not always be easy, and reasonable people may reach different conclusions. That is healthy. What matters is that decisions are made openly, thoughtfully, and with a clear connection to our Mission, Vision, Core Values, and the best interests of students.

Perhaps the most important shift we must make is not organizational, it is philosophical.

For many years, the question has often been:

"How do we preserve everything we currently do?"

The better question for the future is:

"How do we preserve what matters most and do it even better?"

Answering that question will require courage. It will require creativity. It will require us to challenge assumptions that have existed for generations and to consider ideas that may once have seemed impossible. Some of the opportunities described in this report involve significant change, including rethinking grade configurations, making better use of school buildings, expanding regional partnerships, redesigning programs, and exploring entirely new ways of preparing students for the future.

These are not small decisions.

But history reminds us that the greatest moments in Pal-Mac's story have never come from avoiding change. They have come from embracing it when doing so created greater opportunities for children.

The citizens who created the Palmyra-Macedon Central School District in 1950 could not have imagined the world our students live in today. Yet they had the courage to think beyond the needs of their own generation and build a school system designed for the future.

We are now called to demonstrate that same vision.

If we approach this work with honesty, collaboration, and a steadfast commitment to students, future generations will look back on this moment not as a time when our community was forced to change, but as a time when it chose to lead.

The future of Pal-Mac will not be determined by the challenges we face. It will be determined by how thoughtfully and courageously we respond to them.

That is our opportunity.

That is our responsibility.

And that is the promise we make to the children who will one day call Pal-Mac their school district.

What Happens Next?
September - October 2026

1. Present & Share
The Strategic Options Plan is reviewed by the Board of Education and made available to Pal-Mac residents.

2. Recommend & Share
Based on the plan, the Superintendent presents recommendations to the Board for potential short-term actions and the recommendations are made available to Pal-Mac residents along with the Board's meeting agenda.

3. Decide
The Board considers the recommendations and determines the path forward.