October 2026

Dear Neighbors,

At the beginning of this school year, our youngest students, the Class of 2040, officially walked through our doors at the Primary School. These students, much like the classes who came before them, represent our future. We must ensure that these young learners have opportunities to Learn, Grow, and Contribute.

We have a proud history of delivering these opportunities while remaining responsible stewards of our community resources.

Current financial projections indicate that Pal-Mac's expenses, like many other school districts across the state, will grow faster than available revenues, creating a long-term structural budget gap. At the same time, student enrollment has declined to its lowest level since the 1954–55 school year.

In this document, "Transition to the Future," you will see an outline of several recommendations presented to the Board of Education on October 6. These steps are designed to help the District:

- Protect our core educational mission
- Maintain and expand opportunities for students
- Foster long-term financial sustainability

These recommendations are made in response to the Board of Education's request that the Superintendent facilitate the development of a comprehensive menu of strategic options aimed at closing structural out-year budget deficits, answering the question, "How should we organize educational opportunities so every learner is prepared for a rapidly changing future while ensuring our schools remain strong, innovative, and financially sustainable?" The Board will review these recommendations throughout October and is anticipated to act on the recommendations at its November 2, 2026 meeting.

We have an opportunity to protect what matters most, align our system with changing realities, and keep our promise to students for years to come.

Adapting to change is not new to us. We will do this together to leave Pal-Mac stronger for the next generation.

With gratitude,





Laura Arrington
Board of Education President

Bob Ike
Superintendent

PALMYRA-MACEDON CENTRAL SCHOOL DISTRICT
Transition to the Future
Report and Recommendations to the Board of Education
October 6, 2026

Purpose

For generations, the Palmyra-Macedon Central School District has been entrusted with preparing young people not simply to graduate, but to lead lives of purpose, contribution, and success. Each generation has had a responsibility to leave the District prepared for the students who will come next.

In April 2026, the Board of Education directed the Superintendent to study the District's long-term educational and financial sustainability and identify options for the future. That work was guided by one central question:

> *How should we organize educational opportunities so every learner is prepared for a rapidly changing future while ensuring our schools remain strong, innovative, and financially sustainable?*

The resulting sustainability plan identified choices available to the District. This report represents the next step. It identifies recommended actions for the Board's consideration. These recommendations are not offered because Pal-Mac is failing. Quite the opposite. They are intended to protect what our community values about Pal-Mac while we still have the time and ability to shape our future thoughtfully.

The choice before us is not simply whether to spend more or spend less. It is whether we will plan for change or allow financial circumstances to eventually make those decisions for us.

The recommendations that follow focus on changing the structure of the District so that we can better protect the educational experience within it.

Recommendations

Recommendation A: Keep Tax Levy Increases Within Tax Levy Limits

It is recommended that the District not seek to solve the structural budget deficit primarily through significant tax increases above the State's Tax Levy Limit. Closing the projected gaps through the tax levy alone would require an estimated 25% one-time increase, requiring voter approval by a supermajority. It is recommended that the District prioritize alternative recommendations over piercing the tax cap.

Recommendation B: Preserve Core Student Programs

It is recommended that the District not simply use programming cuts or eliminating student opportunities as the primary methods to balance future budgets. Examples would be actions such as increasing class sizes, eliminating electives and specialized courses, cutting athletics and extracurriculars, cutting field trips, eliminating student support services, making fewer students eligible for transportation, or ending community use of facilities outside of school hours. It is recommended that alternatives be pursued to protect the core educational mission.

Recommendation C: Transition Pal-Mac to a Three-Building Instructional Model

It is recommended that the District educate students in a three-building instructional configuration effective July 1, 2027.

Primary School, 120 Canandaigua Street: Grades PK-2
Intermediate School, 163 Hyde Parkway: Grades 3-6
High School, 151 Hyde Parkway: Grades 7-12

Under the present conditions and looking to the future, restructuring the District into a PK-2, 3-6, and 7-12 model offers significant educational and financial advantages. Moving from four instructional buildings to three allows the District to better align staffing with enrollment and teacher certification areas, improve scheduling, improve teacher collaboration, reduce unnecessary duplication, and provide greater flexibility for student intervention and enrichment.

Operating fewer buildings allows Pal-Mac to concentrate its resources on our students. Consolidating into three school buildings reduces long-term expenses related to utilities, maintenance, and future capital improvements. Running three school buildings instead of four means operating one less kitchen, main office, and physical building, as well as further maximizing office efficiencies for buildings and the district. Staffing adjustments can be managed prudently and thoughtfully through attrition over the coming years. This has the potential to provide significant savings in salaries and associated employer costs, such as retirement and health insurance, without disruptions to our workforce.

Educating students in three school buildings which are in close proximity to one another reduces drive time and mileage for staff traveling between buildings and allows shared teachers to have

more face time with students. Housing grades 3-6 at 163 Hyde Parkway grants them access to the Performing Arts Center, upgraded athletic fields, and technology classrooms.

Educating younger students at the Hyde Parkway campus will naturally require adaptations. For example, the absence of a playground at the Hyde Parkway campus will require the District to create short-term alternative options until playground equipment can be installed as play, movement, and being outside are imperative for students. Additional implementation details will be developed in the coming months with input from students, families, and staff, as appropriate.

Schools are more than buildings. They hold memories, traditions, relationships, and a sense of community identity. Those feelings deserve respect. At the same time, our responsibility is ultimately not to preserve a particular building configuration. It is to create the strongest possible educational system for the students we serve now and in the future.

Recommendation D: Consider a Policy for Tuition-Based Enrollment

It is recommended that the Board Policy Committee work with legal services to consider pros and cons of the development of a policy permitting non-resident students to attend Pal-Mac on a tuition basis when space and program capacity permit with a goal of encouraging new, additional, enrollments. Pal-Mac offers educational opportunities that families outside the District may value. A carefully controlled tuition program could generate revenue and help sustain programs for all students without adding significant new costs.

The intent would not be open enrollment without limits. A well-crafted policy would ensure that class sizes remain appropriate, that enrollment can be limited by grade, program, or capacity, and that all applicable New York State, NYSPHSAA, and Section V requirements are followed. The District could retain the ability to determine annually where tuition enrollment is appropriate.

Recommendation E: Complete a Comprehensive Review of Special Education and Student Support Services

It is recommended that the District complete a comprehensive review of its special education, intervention, and related student-support delivery models.

This recommendation is not about reducing required services to students. Acknowledging the district has a history of innovative and supportive programs for students with special needs, our responsibility is to ensure that each student receives the right service, at the right time, in the right setting while meeting every legal requirement. The review would utilize research, longitudinal student data, staff input, and regional expertise - including but not limited to consultation with the Special Education Quality Assurance Western Regional Unit. The review would include an examination of the balance of services, student groupings, program placements, staffing patterns, intervention services, and other delivery models.

The question should not be, “How can we spend less on students who need support?” The better question is: “How can we organize our resources so that students receive the most effective support possible?” Educational effectiveness must come first. Financial efficiency should follow from designing services well.

Recommendation F: Review Every Course and Program for Student Value
It is recommended that the District initiate a process for a deeper evaluation of courses, programs, schedules, and student opportunities based on their educational value, student participation, cost, and alignment with the District’s mission and future-readiness goals.

This is not a recommendation to simply eliminate electives and specialized courses. It is a recommendation to make certain that our limited resources support the greatest possible range of meaningful opportunities. The review would include bell schedules, enrollment in courses, the relevance of course offerings, reasonable enrollment guidelines, rotating specialized courses when appropriate, interdisciplinary options, and expanded project-based, distance, experiential, and career-connected learning. A course with low enrollment might sometimes be extraordinarily valuable and recommended to continue. In another case, the same resources might create an opportunity serving many more students. Therefore, enrollment would be a factor, not the sole factor, in determining program value.

The result of the evaluation would be a program of studies that is broad enough to create opportunity but focused enough to remain sustainable.

Recommendation G: Continue to Align Staffing With Enrollment and Student Needs
It is recommended that the District continue a multi-year process of aligning staffing levels and organizational structures with student enrollment and educational priorities, relying on attrition whenever practical.

Schools are fundamentally a people business. As a result, and like almost all school districts, the majority of Pal-Mac’s operating budget is dedicated to staff salaries and benefits. A long-term sustainability strategy therefore cannot realistically address expenditures without considering staffing. That does not mean reducing staff simply to reduce costs. It means asking whether positions and staffing patterns developed for yesterday’s enrollment remain the best match for today’s students. Vacancies created through retirements and resignations are not necessarily automatically replaced in the same form. Each vacancy becomes an opportunity to ask: “What does Pal-Mac need next?” Options may include replacing the position, redesigning it, combining responsibilities, reassigning staff, using cross-certification, or allowing the position to remain vacant. And of course a process of continual realignment of staffing needs will not necessarily

always result in staffing reductions; staffing requirements will ebb and flow with changing needs over time.

Consistent with the leadership succession plan, and provided the other recommendations in this report are accepted, the District could plan for the reduction of three to four administrative positions by 2030, through retirement, attrition, and organizational redesign, while maintaining effective instructional leadership.

The preferred strategy throughout this work would be planned adjustment rather than sudden layoffs.

Recommendation H: Participate Fully in the Wayne-Finger Lakes Regional Optimization Study

It is recommended that Pal-Mac be an active participant and leader in the Wayne-Finger Lakes regional optimization study and pursue shared educational opportunities that result from that work.

Pal-Mac has a long history of not limiting students to opportunities that one school district can provide by itself. Technology, distance learning, BOCES, colleges, neighboring districts, employers, and community partners give us the ability to think differently. Potential opportunities may include shared courses, shared teachers for low-enrollment subjects, expanded BOCES partnerships, distance learning, and coordinated regional scheduling. As regional enrollment trends and state funding realities evolve, formal district reorganization or merger may become a viable strategy to expand student opportunities and secure long-term financial stability. Exploring and considering these possibilities in the future would help the community to determine whether they might serve the best interests of Pal-Mac in the long term.

The measure of success of any regional efforts would not be whether Pal-Mac independently provides every opportunity. The measure would be whether Pal-Mac students can access the opportunity.

That distinction will become increasingly important as enrollment declines across the region.

Recommendation I: In Partnership with the Town of Macedon, Develop a Long-Term Plan for the 4 West Street, Macedon Property

In conjunction with Recommendation C, it is recommended that the District explore a community partnership with the Town of Macedon and develop options for the future of the West Street property.

Options may include repurposing space for educational or community use, partnerships with BOCES or other organizations, leasing appropriate space, or shared municipal and recreational use. The evaluation would include analysis of continued operating costs, future capital needs, community benefit, market considerations, and potential partnerships before making a final recommendation.

Why Act Now?

It may be tempting to wait. Waiting, however, is also a decision. If structural deficits are allowed to grow, future Boards may have fewer choices. Financial decisions that can be made gradually today may eventually have to be made suddenly.

The sustainability plan identifies the possible consequences of inaction. Our objective should be to avoid reaching that point.

We have an opportunity now to make deliberate changes while Pal-Mac remains educationally strong. Planning from a position of strength gives us choices. Waiting for a financial crisis takes choices away. The result must be a better-organized and sustainable educational system.

Recommended Board Direction

It is recommended that the Board of Education take formal action on these recommendations at its meeting on Monday, November 2, 2026.

Final Reflection

Honoring our history also means accepting the responsibility that comes with it. The generations before us built the schools their children needed. Our responsibility is to make equally thoughtful decisions for the children who will attend Pal-Mac ten, twenty, and thirty years from now.

The sustainability plan concluded that acting with clarity and purpose gives the District an opportunity to protect what matters most, align our system with changing realities, and keep our promise to students for years to come.

That is ultimately what these recommendations are about:

Protecting opportunity. Preparing for change. And leaving Pal-Mac stronger for the next generation.