



MULTIYEAR FINANCIAL PLAN

2025-2034

PREPARED FOR

North Greece Fire District
1766 Latta Rd
Rochester, NY 14612

PREPARED BY

Andy Hinds
Treasurer | North Greece Fire District



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Financial Plan Intro Letter

North Greece Fire District

Plan Year 2025

Dear North Greece Residents,

The North Greece Fire District is committed to maintaining exceptional fire protection and emergency services for our community. This commitment has recently been recognized by our designation of a Class 1 rating by the Insurance Services Office (ISO). (There are currently only 9 departments out of 800+ in NYS with this high rating.) And while providing that level of service, we are also committed to being fiscally responsible stewards of taxpayer funds. We understand the importance of careful long-term financial planning to ensure we can meet the evolving needs of our district in a sustainable and cost-effective manner.

This multiyear financial plan outlines our strategic approach to managing revenues, expenditures, reserve funds, and fund balances over the next five to ten years. Our objectives are to promote stability and predictability in the tax levy, maintain strong fiscal health, and make judicious investments that will enhance our operational capabilities for years to come.

Fiscal responsibility is at the heart of this plan. We are deeply cognizant of the need to respect the hard-earned money of our taxpayers and ensure that every dollar is spent judiciously. Through prudent financial management, cost-containment strategies, and a forward-looking mindset, we aim to deliver maximum value while minimizing burdens on household budgets.

We welcome your input and feedback as we finalize this multi-year financial plan. Transparency and open dialogue with our residents are vital to ensuring we continue fulfilling our mission while respecting the fiscally prudent management of public resources.

Thank you for your continued support of the North Greece Fire District's efforts to provide exceptional fire protection and emergency response capabilities for our community.

Sincerely Yours,

Andy Hinds

Treasurer North Greece Fire District



EXECUTIVE SUMMARY

District Profile:

- Covers approximately 28 square miles
- Serves 15,000 houses with about 45,000 residents
- Responds to over 4,000 incidents per year providing fire, rescue and emergency medical services
- 95% of property value falls within the town of Greece, with a sizeable portion in the town of Parma
- Three fire stations manned 24/7 with three firefighters and an officer at each station, along with an on-duty Battalion Chief
- Employs a Fire Chief and Deputy Chief, and other administrative staff
- Overseen by a 5-member elected, volunteer Board of Fire Commissioners

Financial Overview:

- Over the past 5 years, 81.3% of the district's tax levy has gone towards payroll and benefits.
- Averaged an 8.5% tax increase each year over the past five years. Averaged a 6.8% tax increase over the past ten years, with a range of 2% to 12%.
- This plan aims to stabilize the increase at 6.67% per year. The first 2 or 3 years of this plan will be higher than that, to incorporate the new comprehensive capital plan and the bond repayment for the Station 3 capital project.

Cost Drivers:

- Union-negotiated contracts for payroll and benefits, which constitute a significant portion of the budget.
- Greater than 10% increase in health care costs and NYS required retirement contributions over the past 3 years.
- Inflation and rising costs of firefighting equipment and everyday expenses.

Capital Plan:

- Implementing a comprehensive multiyear capital plan for the first time.
- Includes facility repairs, upgrades, apparatus replacements, and major firefighting equipment.
- Building a new fire station to replace Station 3, estimated at \$13.8M

This multiyear financial plan addresses the district's ongoing operational costs, primarily driven by personnel expenses and inflation, while incorporating a comprehensive capital plan to manage long-term infrastructure and equipment needs. The plan aims to stabilize tax increases at a moderate rate while maintaining service levels and addressing future capital requirements, including the new station project.



PLAN DETAILS

1. 2025 Significant Changes from Previous Plan

As this is the first version of this comprehensive multiyear financial plan, the entire plan is a change. However, as far as changes from budgets from previous years, this plan implements:

- **Implementation of Multiyear Capital Plan.** Usage and Funding of capital reserves are directly tied to the multiyear capital plan.
- **Beginning of Debt Repayment.** With the building of the new Station 3, the Fire District will be paying back a 15 year Serial Bond.
- **Plan Growth of Unassigned Fund Balance.** Previous Budgets targeted 0 surplus or deficit, however with the UFB tied to a percentage of next year's levy, the UFB will grow or shrink along with the levy. This plan takes that into account.

5 Year Financial Forecast

| | actual | | | BUDGET | forecast | | | | |
|-----------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 |
| .1 Personnel | \$5,826,801 | \$6,300,460 | \$6,409,336 | \$7,404,284 | \$7,632,206 | \$8,090,138 | \$8,575,547 | \$9,090,079 | \$9,635,484 |
| .8 Benefits | \$3,429,518 | \$3,704,628 | \$4,040,928 | \$4,959,111 | \$5,468,354 | \$5,963,363 | \$6,503,887 | \$7,096,967 | \$7,747,876 |
| .2 Capital | \$831,714 | \$1,164,320 | \$1,357,670 | \$1,520,121 | \$1,546,246 | \$5,006,329 | \$2,109,762 | \$839,028 | \$303,125 |
| .4 Contractual | \$598,597 | \$838,712 | \$858,958 | \$935,189 | \$1,046,152 | \$1,087,998 | \$1,131,518 | \$1,176,779 | \$1,223,850 |
| .6 Debt Principal | \$0 | \$0 | \$0 | \$0 | \$0 | \$853,324 | \$865,000 | \$875,000 | \$890,000 |
| .7 Debt Interest | \$0 | \$0 | \$0 | \$0 | \$511,215 | \$511,215 | \$503,400 | \$468,800 | \$433,800 |
| Contingency | \$0 | \$0 | \$400,000 | \$500,000 | \$600,000 | \$600,000 | \$650,000 | \$700,000 | \$750,000 |
| Reserve Funding | \$500,000 | \$600,000 | \$710,000 | \$525,750 | \$408,037 | \$0 | \$0 | \$391,702 | \$927,605 |
| Total Appropriations | \$11,186,630 | \$12,608,120 | \$13,776,892 | \$16,272,544 | \$17,212,210 | \$22,112,367 | \$20,339,114 | \$20,638,355 | \$21,911,740 |
| Other Revenues | \$70,612 | \$267,902 | \$614,607 | \$394,928 | \$439,918 | \$418,700 | \$511,894 | \$521,302 | \$467,004 |
| Use of Reserves | \$566,000 | \$200,300 | \$186,837 | \$215,089 | \$723,553 | \$3,775,599 | \$879,032 | \$0 | \$0 |
| Use of Fund Balance | \$0 | \$0 | \$0 | \$1,100,000 | \$500,000 | \$1,100,000 | \$600,000 | \$650,000 | \$700,000 |
| Tax Levy | \$11,108,448 | \$12,264,209 | \$13,355,253 | \$14,246,527 | \$15,528,714 | \$16,926,299 | \$18,449,666 | \$19,680,258 | \$20,992,932 |
| Tax Levy Increase % | 12.10% | 10.40% | 8.90% | 6.67% | 9.00% | 9.00% | 9.00% | 6.67% | 6.67% |
| Total Funding: | \$11,745,060 | \$12,732,411 | \$14,156,697 | \$15,956,544 | \$17,192,185 | \$22,220,598 | \$20,440,592 | \$20,851,560 | \$22,159,936 |
| Begin Reserves | \$4,098,058 | \$4,033,788 | \$4,500,155 | \$5,253,657 | \$5,994,233 | \$5,844,925 | \$2,134,093 | \$1,288,699 | \$1,719,164 |
| End Reserves | \$4,033,788 | \$4,500,155 | \$5,253,650 | \$5,869,233 | \$5,304,700 | \$1,580,902 | \$722,231 | \$1,139,101 | \$2,112,597 |
| Unassigned Fund Balance | \$2,624,931 | \$1,928,569 | \$2,425,173 | \$2,425,173 | \$3,049,628 | \$3,262,859 | \$3,384,912 | \$3,588,648 | \$3,802,752 |

2. Revenues

Traditionally, about 99% of the Fire District’s revenues every year come from real property taxes. With the high interest rates of the past couple of years, we have been able to earn a significant amount of interest on the funds that we hold.

The District receives the tax levy check for the year in February. Those funds can be invested, in a manner consistent with law and our policy, until the money is needed to pay for expenditures throughout the course of the year. Our investments have yielded over 5% since May 2023, however with interest rate cuts expected in 2024, we anticipate the amount earned will go down over the next couple years.

Interest Earned (actual)

| | 2020 | 2021 | 2022 | 2023 |
|--------------------------------|----------|---------|----------|-----------|
| | actual | | | |
| Interest Income (non-Reserves) | \$30,004 | \$2,368 | \$91,765 | \$459,462 |

Interest Earned (forecast)

| | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 |
|--------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|
| | budget | forecast | | | | |
| Interest Income (non-Reserves) | \$250,000 | \$308,990 | \$272,772 | \$290,966 | \$310,374 | \$331,076 |

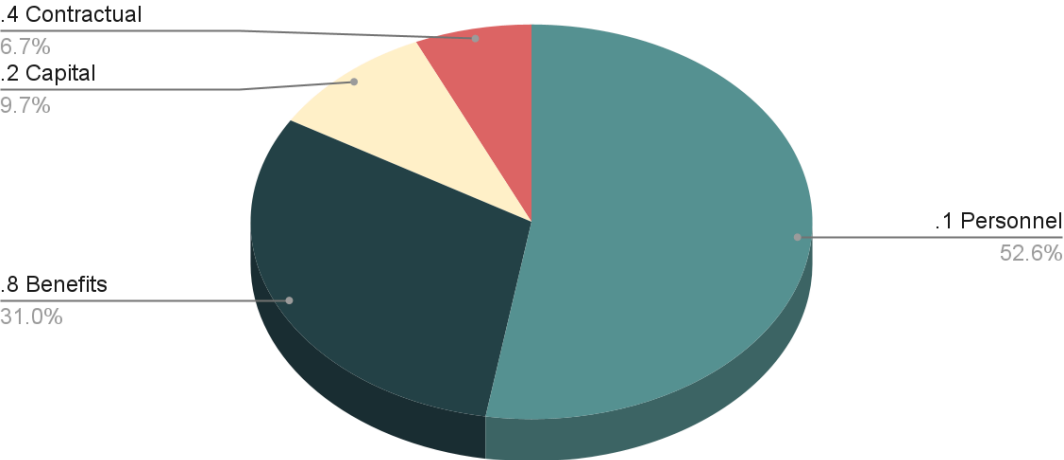
Other significant areas of other revenues include the following. Together they average annually about \$143,000.

- Payment In Lieu Of Taxes program for Orchard Place (\$10k)
- Sale of Assets (\$25k)
- Rental use of NGFD’s Training Facility (\$8k)
- Lease of property for cellphone tower at Station 2 (\$40k)
- Shared Services of NGFD’s Mechanic (\$60k)

3. Personnel & Benefits Expenditures

The District breaks up its expenditures according to the State Comptroller’s office’s Object of Expenditures. Over the past 5 years, all of the expenditures have fallen into the four categories: Personnel (52.6%), Benefits (31.0%), Capital Outlay (9.7%) and Contractual Expenses (6.7%).

Expenditures (avg 5 years)



The salaries and benefits for the officers and firefighters are negotiated with their respective unions, and are currently under agreements through 2025 (Firefighters) and 2026 (Officers). This plan does not take into account any significant changes to the new contracts from the existing ones.

The two most substantial portions of the Benefits part of the expenditures are the New York State and Local Retirement System contributions, and then medical insurance. Those two lines have both averaged more than 10% increases over the past couple years. New York State determines our employer contribution rate based on several factors including the success of their funds’ investment returns. It is expected that both of these expenses are going to increase significantly again for 2025, and moderately for the years following.

To help stabilize the tax impact that the NYS Retirement contribution causes the District, we have created a Reserve Fund for Retirement. This reserve gets funded on occasion as surpluses allow, and is used when needed to stabilize the tax rate.

4. Capital Plan Implementation

Beginning in 2024, the District has adopted a multiyear capital plan. This capital plan addresses the District’s Facilities, Fleet and Equipment. The plan is reviewed and updated annually. Having this plan allows the District to appropriate a consistent amount every year, and by utilizing the Capital Reserve funds, we are able to pay for major equipment purchases when needed, without having to spike the tax levy in the year that the expense is incurred.

This Capital Plan has an annual cost of just over \$1,200,000 of which just about half of it is designated for the fleet. All of our capital expenditures follow our procurement policy and NYS laws concerning competitive bidding.

Multiyear Capital Plan Summary

| Budgeted Expenditures | 2024 BUDGET | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 |
|--------------------------------|---------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Equipment Plan | \$0 | \$405,246 | \$238,394 | \$174,762 | \$729,028 | \$173,125 | \$745,976 | \$205,916 | \$175,375 | \$221,305 | \$204,069 |
| Fleet Plan | \$100,000 | \$100,000 | \$3,647,935 | \$900,000 | \$0 | \$0 | \$375,000 | \$0 | \$100,000 | \$1,469,013 | \$375,000 |
| Facilities Plan | \$1,230,000 | \$1,041,000 | \$1,120,000 | \$1,035,000 | \$110,000 | \$130,000 | \$10,000 | \$3,000 | \$1,000,000 | \$0 | \$100,000 |
| Annual Funding | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 |
| Equipment Plan | \$305,475 | \$320,783 | \$320,783 | \$320,783 | \$320,783 | \$320,783 | \$320,783 | \$320,783 | \$320,783 | \$320,783 | \$320,783 |
| Fleet Plan | \$592,500 | \$592,500 | \$592,500 | \$592,500 | \$592,500 | \$592,500 | \$592,500 | \$592,500 | \$592,500 | \$592,500 | \$592,500 |
| Facilities Plan | \$261,520 | \$317,447 | \$317,447 | \$317,447 | \$317,447 | \$317,447 | \$317,447 | \$317,447 | \$317,447 | \$317,447 | \$317,447 |
| EQUIPMENT RESERVE | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 |
| Start | \$2,434,834.0 | \$3,102,865 | \$3,610,746 | \$664,897 | \$516,146 | \$716,474 | \$1,488,631 | \$1,312,511 | \$2,065,526 | \$2,765,765 | \$2,039,568 |
| Funding | \$535,750 | \$408,037 | \$0 | \$0 | \$184,255 | \$740,158 | \$0 | \$707,367 | \$637,908 | \$0 | \$334,214 |
| Use | \$0 | \$0 | \$2,973,046 | \$161,479 | \$0 | \$0 | \$207,693 | \$0 | \$0 | \$777,035 | \$0 |
| Interest | \$130,706 | \$99,844 | \$27,197 | \$12,728 | \$16,073 | \$31,999 | \$31,573 | \$45,648 | \$62,331 | \$50,838 | \$55,634 |
| Ending | \$3,102,865 | \$3,610,746 | \$664,897 | \$516,146 | \$716,474 | \$1,488,631 | \$1,312,511 | \$2,065,526 | \$2,765,765 | \$2,039,568 | \$2,429,416 |
| - FOMC target rate low end (j) | 4.40% | 2.90% | 2.40% | 2.40% | 2.40% | 2.40% | 2.40% | 2.40% | 2.40% | 2.40% | 2.40% |
| CONSTRUCTION RESERVE | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 |
| Start | \$2,516,000 | \$2,578,378 | \$1,912,112 | \$1,139,399 | \$434,840 | \$656,872 | \$863,833 | \$1,198,161 | \$1,547,653 | \$888,593 | \$1,233,715 |
| Funding | \$0 | \$0 | \$0 | \$0 | \$207,447 | \$187,447 | \$307,447 | \$314,447 | \$0 | \$317,447 | \$217,447 |
| Use | \$0 | \$723,553 | \$802,553 | \$717,553 | \$0 | \$0 | \$0 | \$0 | \$682,553 | \$0 | \$0 |
| Interest | \$110,704 | \$57,287 | \$29,840 | \$12,995 | \$14,585 | \$19,514 | \$26,881 | \$35,045 | \$23,493 | \$27,675 | \$33,958 |
| Ending | \$2,578,378 | \$1,912,112 | \$1,139,399 | \$434,840 | \$656,872 | \$863,833 | \$1,198,161 | \$1,547,653 | \$888,593 | \$1,233,715 | \$1,485,120 |
| 2 Capital BUDGET | \$1,330,000 | \$1,546,246 | \$5,006,329 | \$2,109,762 | \$839,028 | \$303,125 | \$1,130,976 | \$208,916 | \$1,275,375 | \$1,690,318 | \$679,069 |
| 2 Reserve Funding-Usage | \$535,750 | -\$315,516 | -\$3,775,599 | -\$879,032 | \$391,702 | \$927,605 | \$99,754 | \$1,021,814 | -\$44,645 | -\$459,588 | \$551,661 |
| Capital YEARLY | | \$1,230,730 | \$1,230,730 | \$1,230,730 | \$1,230,730 | \$1,230,730 | \$1,230,730 | \$1,230,730 | \$1,230,730 | \$1,230,730 | \$1,230,730 |

5. Contractual Expenditures

The Contractual Expenditures portion of the annual budget includes all maintenance, supplies, utilities, and other services that are provided to the District. These expenditures are generally subject to normal inflation increases, and we regularly compare different vendors' pricing and seek competition to ensure the costs are kept as low as possible for the best product or service for the District.

These contractual expenses are broken up into about 50 different categories, and altogether they comprise 6.7% of the total expenditures of the District (5-year average).

6. Debt Service

The District has not had any debt service since 2013 when the last payment was made for the bonds that were used to fund the construction of Station 1 in 2004.

In 2024 the District plans to begin the construction of a new Station 3. Part of the funding of this construction will come from the sale of Serial Bonds, with an estimated total of \$13.2M. These bonds will be bought back on a 15 year payment schedule, with an interest only payment in 2025, and then the full principal and interest in 2026 until it is finished in 2039.

Station 3 Serial Bond Sample Repayment Schedule

| Year Ending | Principal Payment | Interest Rates | Total Interest | Total Debt Service | Outstanding Bonds |
|---------------|---------------------|----------------|--------------------|---------------------|-------------------|
| 2025 | \$0 | 3.850% | \$511,215 | \$511,215 | \$13,278,324 |
| 2026 | \$748,324 | 3.850% | \$511,215 | \$1,259,539 | \$12,530,000 |
| 2027 | \$755,000 | 4.000% | \$508,193 | \$1,263,193 | \$11,775,000 |
| 2028 | \$785,000 | 4.000% | \$477,993 | \$1,262,993 | \$10,990,000 |
| 2029 | \$815,000 | 4.000% | \$446,593 | \$1,261,593 | \$10,175,000 |
| 2030 | \$845,000 | 4.000% | \$413,993 | \$1,258,993 | \$9,330,000 |
| 2031 | \$880,000 | 4.000% | \$380,193 | \$1,260,193 | \$8,450,000 |
| 2032 | \$915,000 | 4.000% | \$344,993 | \$1,259,993 | \$7,535,000 |
| 2033 | \$950,000 | 4.000% | \$308,393 | \$1,258,393 | \$6,585,000 |
| 2034 | \$990,000 | 4.000% | \$270,393 | \$1,260,393 | \$5,595,000 |
| 2035 | \$1,030,000 | 4.125% | \$230,793 | \$1,260,793 | \$4,565,000 |
| 2036 | \$1,075,000 | 4.125% | \$188,306 | \$1,263,306 | \$3,490,000 |
| 2037 | \$1,115,000 | 4.125% | \$143,962 | \$1,258,962 | \$2,375,000 |
| 2038 | \$1,165,000 | 4.125% | \$97,968 | \$1,262,968 | \$1,210,000 |
| 2039 | \$1,210,000 | 4.125% | \$49,912 | \$1,259,912 | \$0 |
| TOTALS | \$13,278,324 | | \$4,884,124 | \$18,162,448 | |

7. Contingency

This plan is designed to handle the expected business and changes of the Fire District. However, we also recognize that there are things that will happen unexpectedly, or that will happen sooner or later than anticipated. Since the District receives its funding each year, it is wise to be able to handle contingencies with unassigned money. Each year the District sets aside money for such contingencies. Whenever the contingency money is not used, the plan is to use it to offset the following year's tax levy. NYS Law limits the amount of budgeted Contingency to be 10% of the normal operating budget. It is the plan of the district to gradually increase the amount budgeted to contingency until it reaches \$1,000,000. To reiterate, whenever this contingency money is not used, it is used to lessen the following year's tax levy.

| Budgeted Contingency Amount by Year | | | | | | |
|-------------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|
| 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 |
| \$400,000 | \$500,000 | \$600,000 | \$600,000 | \$650,000 | \$700,000 | \$750,000 |

8. Reserve Funds

The District has three reserve funds: Capital Equipment; Capital Construction and Retirement Reserve. The two Capital Reserves are used to balance the Multiyear Capital Plan, and the Retirement Reserve is used to stabilize the tax burden of the NYS Retirement expenditure.

The target for the Capital Reserve funds is to maintain a minimum balance of \$500,000 in each. This helps the District have a better bond rating to receive the best interest rates possible for any borrowing, and to ensure that higher than anticipated cost increases to the plan are able to be funded. When a Reserve has more than \$500,000 every year of its 10 year plan, then future funding of that Reserve will be lessened to bring that down to \$500,000. That lessened amount will be used to fund one-time projects, or to lessen the tax levy.

| | actuals | | |
|---------------------------------|-------------|-------------|-------------|
| | 2021 | 2022 | 2023 |
| Beginning Reserves Total | \$4,098,058 | \$4,033,788 | \$4,500,155 |
| Interest Earned Total | \$1,730 | \$66,667 | \$230,332 |
| Funding | \$500,000 | \$600,000 | \$710,000 |
| Spending | \$566,000 | \$200,300 | \$186,837 |
| Ending Reserve Total | \$4,033,788 | \$4,500,155 | \$5,253,650 |

| | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 |
|--------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| FOMC Target Rate | | 2.90% | 2.40% | 2.40% | 2.40% | 2.40% |
| Beginning Reserve Total | \$5,253,657 | \$5,994,233 | \$5,844,925 | \$2,134,093 | \$1,288,699 | \$1,719,164 |
| Interest Expected Total | \$204,826 | \$166,208 | \$64,767 | \$33,638 | \$38,763 | \$59,813 |
| Funding | \$625,839 | \$408,037 | \$0 | \$0 | \$391,702 | \$927,605 |
| Spending | \$215,089 | \$723,553 | \$3,775,599 | \$879,032 | \$0 | \$0 |
| Ending Reserve Total | \$5,994,233 | \$5,844,925 | \$2,134,093 | \$1,288,699 | \$1,719,164 | \$2,706,582 |
| | | | | | | |

9. Unassigned Fund Balance

The unassigned fund balance is the amount of money in the possession of the District that is not appropriated for any purpose in this year’s budget, nor is it in a Reserve fund. This money is necessary for the District to fund the first portion of the following year in order to cover expenses that occur in that year before the District receives its tax levy from the towns.

The District’s policy is to maintain an unassigned fund balance of no more than 20% of the following year’s levy, and no less than 14%. The tax levy checks are received at some point in February, and so the District needs to be able to fund 2 months out of the 12 (17%). There are some expenses that are paid later in the year, and therefore less than 17% is possible. But the District targets 17% of next year’s levy amount at the end of each calendar year.

| Unassigned Fund Balance | | | | | |
|-------------------------|--------------|--------------|--------------|--------------|--------------|
| | 2024 | 2025 | 2026 | 2027 | 2028 |
| Tax Levy | \$14,246,527 | \$15,968,633 | \$17,344,999 | \$18,961,560 | \$20,201,560 |
| Minimum 14% | \$1,994,514 | \$2,369,682 | \$2,582,953 | \$2,755,236 | \$2,939,010 |
| Projected UFB | \$2,409,173 | \$2,617,149 | \$2,830,380 | \$3,037,065 | \$3,331,077 |
| Max 20% | \$2,849,305 | \$3,385,260 | \$3,689,933 | \$3,936,052 | \$4,198,586 |

