



Board of Education Meeting

Wednesday, April 2, 2025

Budget Presentation Six: *Revenue and Expenditure Update*

Antonio Santana, Superintendent of Schools

Jennifer Segui, Assistant Superintendent for Finance and Management Services



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South Country Central School District



Budget Presentation Six: *Schedule of Budget Meetings and Presentations*

January 22, 2025

- Review of the Budget Process and Long Term Planning

February 5, 2025

- Tax Cap & Revenue Overview

February 26, 2025

- 1000 General Support, Operation & Maintenance, Security, Utilities
- 5000 Transportation
- 9000 Employee Benefits, Debt Service, Fund Transfers & Capital Expenditures

March 5, 2025

- 2000 Curriculum & Instruction

March 19, 2025

- Staffing Analysis

April 2, 2025

April 23, 2025
 • Budget Adoption



May 7, 2025

Budget Hearing

May 20, 2025

BUDGET VOTE & ELECTION





South Country Central School District



Budget Presentation Six: *Revenue Update*

Description	2024-2025	2025-2026
Tax Levy	69,094,953	71,496,354
State Aid	56,040,788	56,028,439
PILOTs (Payments In Lieu Of Taxes)	7,517,044	7,742,234
Miscellaneous Revenue	2,155,000	2,322,250
Appropriated Fund Balance	4,000,000	3,400,000
ERS Contribution Reserve	1,050,000	1,425,000
TRS Contribution Reserve	1,750,000	1,600,000
Workers Comp Reserve	650,000	650,000
Unemployment Reserve	50,000	150,000
Employee Benefits Accrued Liability Reserve (EBALR)	750,000	750,000
Total:	143,057,785	145,564,277

Tax Levy: This is the contribution made by taxpayers. The final tax levy will be presented at the April 23 BOE meeting. This figure is based upon the 3.48% Tax Levy Cap.

State Aid: All “Hold-Harmless” school districts received a 2% increase in Foundation Aid. The average increase in Foundation aid had been approximately 3% in prior years.

Miscellaneous Revenue: Includes, but is not limited to - Day School Tuition, Health Services, Interest and Earnings, Medicaid Reimbursement, E-Rate, Rental Income, and Donations.

Use of Reserves: Reserves will be used to offset expenditures in a deliberate manner. Please note that due to the reduction in Foundation Aid, reserve use will be modified to account for the loss of revenue with the goal of replenishing them to the greatest extent possible.

Revenue: All revenue represents the General Fund. South Country’s *State Aid* may change as the state’s budget is formally adopted. Our proposed *Tax Levy* may also change as we continue to look at expenditures.





South Country Central School District



Budget Presentation Six: *Financial Challenges for 2025 - 2026*

Loss of Federal Funds: South Country, like many school districts across New York State, lost access to federal stimulus funds—such as those provided through COVID-related relief—that previously helped offset one-time expenditures. These funds played a critical role in temporarily supporting staffing, instructional programs, technology, and facility needs. With that support now expired, the financial burden was shifted back to local districts. As a result, South Country, along with many others, is now facing difficult decisions to ensure long-term fiscal stability while continuing to prioritize the needs of our students. *(Anticipated)*

Loss of State Aid: South Country has seen a reduction in both foundation aid and building aid. Last year, foundation aid remained flat despite rising costs, and although the decrease in building aid was anticipated, it still contributed to a revenue shortfall we're continuing to address. *(Anticipated)*

Unforeseen Increases in Expenditures: South Country is facing unprecedented increases in key areas of our budget—specifically health insurance, transportation, and special education. These rising costs are not only substantial but also largely out of our control, driven by external factors such as provider rate hikes and growing student needs. These increases place significant strain on our overall budget and make it increasingly difficult to maintain programs and services without difficult trade-offs.

Declining Enrollment / Increased Needs: Despite an overall decline in enrollment, our Special Education and ENL populations continue to grow. To meet mandated services, we've hired 11 Special Education and 12 ENL teachers over the past three years. These positions remain essential and, for the most part, are not being considered for elimination.

Special Education Enrollment: Over the course of this school year, we've welcomed 68 new students who are classified as requiring special education services—an increase that speaks to the growing complexity of student needs in our district. Of those new entrants, 11 have required placement in specialized programs outside of the district due to the intensity of their needs. While we are committed to providing every student with the support they require, these outside placements have added nearly one million dollars in unanticipated costs to our budget. This underscores the financial pressure districts like ours face in ensuring equitable services while navigating limited resources.



South Country Central School District



Budget Presentation Six: *Strategies for Meeting Financial Challenges for 2025 - 2026*

Use of Reserves: South Country is utilizing its reserves to the greatest extent possible in order to minimize the impact on programs and services, while also maintaining the long-term financial stability of the district.

Unassigned Fund Balance: State regulations cap the Unassigned Fund Balance at 4% of the next year's budget, as it's meant for unforeseen expenses—not recurring costs like salaries, which would create deeper financial shortfalls in the future.

Transportation: South Country is actively engaged in discussions with our transportation provider to explore ways to defray the anticipated increase in costs over the remaining term of the contract. Our goal is to find a fiscally responsible path forward that minimizes the financial impact on the district while maintaining safe and reliable transportation for our students.

Budget Reductions: Our administrative team has reviewed every conceivable budget line with great care and diligence to identify where reductions can be made. This has been a thorough and thoughtful process, guided by our commitment to maintaining the integrity of our academic programs and student services while addressing the district's financial challenges.

Staffing Reductions: As we work through the challenges of this year's budget, the need for staffing reductions across all collective bargaining units has become unavoidable. These decisions are incredibly difficult and made only after exhausting all other options. We recognize the deep impact this has on individuals, our schools, and the greater South Country community. This is not a reflection of the value of our staff, but rather a necessary step to ensure the long-term financial stability of the district while preserving core programs and services for students.


*** Our long-term plan to address declining enrollment was to reduce staff through attrition. However, due to unprecedented expenditures, that approach was no longer sufficient, and reductions are now necessary.**



South Country Central School District

Budget Presentation Five: *Staffing Analysis - Staffing Considerations and Increasing Costs*



	South Country Central School District 10 Year Cost Comparison						
	2014 Actual Cost	2014 Percent of Budget	2024 Actual Cost	2024 Percent of Budget	Difference 2014/2024	2014 Percent of Enrollment	2024 Percent of Enrollment
ENL Services	\$1,005,168.33	.89%	\$3,009,499.80	2.16%	\$2,004,331.47	6.25%	17.92%
Special Education	\$17,649,828.77	15.64%	\$20,038,894.08	14.38%	\$2,389,065.31	13.28%	16.31%
Cybersecurity	\$2,433,782.25	2.16%	\$5,790,048.95	4.15%	\$3,356,266.70	n/a	n/a
Insurance	\$15,714,067.24	13.92%	\$19,058,599.75	13.67%	\$3,344,532.51	n/a	n/a
Mental Health	\$1,759,110.87	1.56%	\$2,053,228.78	1.47%	\$294,117.91	n/a	n/a
Physical Security	\$776,814.63	.69%	\$1,531,389.33	1.10%	\$754,574.70	n/a	n/a
BOCES	\$8,670,256.35	7.68%	\$11,811,843.00	8.47%	\$3,141,586.65	n/a	n/a
Transportation	\$7,824,038.35	6.93%	\$10,586,711.26	7.59%	\$2,762,672.91	n/a	n/a
Other Operational	\$5,204,714.74	4.61%	\$9,251,728.49	6.64%	\$4,047,013.75	n/a	n/a
Total Enrollment						4414	3845

Despite a decline of nearly 600 students over the past decade, operating costs have surged. In just the categories mentioned above, expenses have risen by \$22,094,161.91 during this period.



South Country Central School District



Budget Presentation Six: *Expenditures Update - Summary of Budget Line Increases*

Account	Description	Increase
2250-490-00	BOCES-SPECIAL ED SERVICES	868,850
9050-800-00	UNEMPLOYMENT INSURANCE	90,000
9711-700-00	EPC INTEREST	220,000
	Total	1,178,850

Since our March 5th budget presentation, South Country has been challenged with additional **unanticipated** expenditure increases, not inclusive of salary corrections, lane changes, and longevity adjustments which are typical and anticipated increases.



Also not anticipated...

Description	2024-25 Budget	2025-26 Proposed	Difference	Percentage Change
Unallocated Insurance	733,699	901,847	168,148	22.92%
Special Education (Tuition & Other)	8,926,785	9,506,515	579,730	6.49%
Transportation	10,212,264	11,830,544	1,618,279	15.85%
Health Insurance	19,297,755	22,099,653	2,801,898	14.52%
Total	39,170,503	44,338,559	5,168,055	13.19%

Again, these projected increases are not inclusive of standard increases such as salary increments, standard operating costs, and other expenditures.





South Country Central School District



Budget Presentation Six: *Expenditures Update - Summary of Budget Line Reductions*

Account	Description	Decrease
1680-490-00	BOCES-CENTRL DATA PROCESSING	(212,800)
2010	CURRICULUM-TEXTBOOKS AND SUPPLIES	(122,386)
2020-150-04	SALARY BLDG ADMIN MS	(135,000)
2110	TEACHING REGULAR SCHOOL-SALARIES	(1,012,095)
2250	PROGRAMS-STUDENTS W/ DISABIL-SALARIES	(563,950)
2610-521-00	LIBRARY BOOKS	(53,478)
9000s	HEALTH, DENTAL, TRS, FICA, ETC	(479,065)
9760-700-00	TAX ANTICIP NOTE INT	(100,000)
	Total	(2,678,774)

*While these reductions represent staff reductions, they do not represent cuts to programs.



South Country Central School District



Budget Presentation Six: *Net Expenditures Update*

Description	2024-25 Budget	2025-26 Proposed	Percentage Change
1000s	17,029,549	17,973,496	5.54%
2000s	73,814,091	74,988,257	1.59%
5000s	10,212,264	11,830,543	15.85%
9000s	42,001,881	43,950,031	4.64%
Total	143,057,785	148,742,327	3.97%

1000 Code: All costs associated with the general administration and operation of the school district.

2000 Code: All costs associated curriculum and instruction, including salaries, supplies, etc.

5000 Code: All costs associated with transportation, including field trips and athletics.

9000 Code: All costs associated employee entitlements and benefits, debt and governmental obligations.

*As of March 5, 2025

*As of April 2, 2025

There is a total of **\$6,346,905** of unforeseen increases for the 2025-2026 school year. At this time South Country is looking at **3.97%** budget to budget Increase in expenditures.

*The tax levy cap is 3.48% - The final tax levy will be presented to the community on April 23.





South Country Central School District



Budget Presentation Six: *Current Budget Revenue and Expenditures*

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Unemployment Reserve	50,000	150,000
Employee Benefits Accrued Liability Reserve (EBALR)	750,000	750,000
Total Revenue and Use of Reserves:	143,057,785	145,564,277
Total Expenditures:	143,057,785	148,742,327
Difference:	0	(3,178,050)

Budget Proposal as of April 2, 2025

The budget must be balanced before it is submitted to the Board for Adoption



South Country Central School District



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Questions?



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