Greetings,

I want to start this week by stressing how important it is that we all rely on accurate and factual information when it comes to our schools. Rumors and speculation can take on a life of their own, especially on social media, and that only adds to the anxiety and frustration people feel. That's why Wednesday's Board of Education meeting was so important—it allowed us to share clear numbers and facts with the community. We were able to state, with confidence, that last year's budget was overspent by $3.49 million. While even a single dollar over is too much, it's important to know the real figure, which is far less than the inflated amounts that had been circulating online.

Another number that has caused a lot of confusion is $16.2 million. What that really means is that our expenditures last year exceeded revenue by that amount. To cover the difference, we drew down reserves—basically the district's savings account. Here's the important part: using fund balance is not unusual for school districts. In fact, it's a tool we *intentionally* use to balance the budget. Think of it like a family dipping into savings to pay for a big purchase while keeping day-to-day spending manageable. Sometimes districts even plan what's called a "planned operating deficit"—spending a little more in a given year, knowing reserves will cover it. That helps sustain programs for students without asking taxpayers for more.

The problem last year wasn't that we used fund balance—it's that we had to use more of it than expected. That's what made this situation such a wake-up call. At the same time, it's important to point out that the district still has over $15 million in fund balance. In other words, while we face challenges, we are not "out of money." We remain in a position to meet these challenges while working to eventually rebuild our reserves for the future.

The good news is that we've already taken strong corrective steps. The Board engaged both external and forensic auditors to review our finances from every angle. We also appointed John Belmonte, who brings over 30 years of experience in school finance, to lead our business office. While John has only just begun his work here in South Country, his expertise will be critical in helping us build tighter spending controls, stronger reporting, and clearer budget monitoring. Additionally, we have reached out to the SED Deputy Commissioner and the State Comptroller's Office and will welcome their guidance if the need arises. We know there are challenges ahead, but with the support of these resources—and thanks to the Board for acting quickly and doing their due diligence—we are confident that we will meet them head-on.

I know these numbers can feel heavy, but at the heart of all this work is our commitment to students and our community. To go from heavy to light—I stopped by the middle

school today and have to give a big shout-out to the World Language Department, who graciously hooked me up with an empanada that was pretty incredible. Sometimes it's the little things.

Thanks for sticking with me through this explanation. It's not quite as exciting as a pep rally or a soccer game, but it's every bit as important for the health of our schools. I hope you all have a restful weekend, and I look forward to seeing you out at our many events next week.

Wishing our Volley Ball Team all the best as they compete in the first round of the playoffs this weekend! Go Clippers! And as always, it really is a privilege serving this community as your superintendent of schools!

Tony Santana
**#clipperPRIDE**