

Shelter Island UFSD 2026-2027 Proposed Budget



*“Protecting Today’s Programs and Early Learning
While Building Financial Stability for the Future”*

Board of Education Meeting of February 9, 2026
Facilities, Debt Service, Instruction, Property Tax Cap Calculations
Presentation #2

Accomplishments

- Ongoing Substantial Progress - 2025 US News & World Best High School (Top 18%) & 2025 Niche.com Best College Prep (reached top 15%).
- Only public school district in Suffolk County to achieve 2025 AP Platinum designation.
- Sustained Continuous Improvement - State Exams in ELA and Mathematics - Outperform Suffolk County Averages in both subjects now.
- Continuous Exceptional Performance - Regents Exams & AP Exams
- Ongoing Expansion of Offerings - College Level Courses
- Implementing Innovative ELA, Math, and Science Curriculum - Year 4

Budget Outlook: Cuts or Tax Cap Pierce

- Two options are under consideration:
 - Further cuts to already reduced programs, or
 - Seeking voter approval to exceed the tax cap to maintain programs and restore Pre-K 3.

	Cost	Percent Change
Allowable Levy Under Cap Formula	\$12,000,754	2.20%
Budget Needed To Preserve All Programs and Restore Pre-K 3	\$13,978,697	5.12%
Tax Levy Needed to Fund All Programs	\$12,919,697	10.03%
Cuts Needed To Remain Under The Cap	\$918,943	6.57% of the expenditure budget

- At current funding levels, maintaining all existing programs would be challenging without exceeding the property tax cap. If the cap is not exceeded, the school system would likely need to operate differently than it does today and would not bring back Pre-K 3.

All figures subject to adjustment.
The Property Tax Cap calculation uses certain assumptions because necessary data is not yet available.



Budget Outlook: Cuts or Tax Cap Pierce

- The Administration is in the process of designing a budget that allows programs to continue as they currently function, and even restores Pre-K 3 to the District.
- The Board of Education, and ultimately the voters, will need to determine if they are willing to put tax money into this budget vision, or if they would prefer to eliminate additional programs and offerings in order to stay within the State's property tax cap formula.



Cuts/Cost Savings Already Implemented Since 2020

- Eliminated the Business Official position, reducing administrative staff from four positions to three.
- Reduced ENL staffing from 2.0 FTE to 1.5 FTE.
- Reduced Physical Education staffing from 2.0 FTE to 1.5 FTE.
- Gradually reduced the Social Worker position from 1.0 FTE to 0.6, then 0.4, and ultimately eliminated the position.
- Eliminated the Technology Assistant position (1.0 FTE).
- In total, these changes represent a reduction of four full-time positions over six years.
- Transitioned from a private transportation company to a partnership with the East Hampton School District results in an annual savings of approximately \$150,000.

Potential Future Cost Saving Measures

- The administration is actively engaged in discussions with state officials concerning Universal Pre-K funding.
- The business consultant is coordinating with BOCES to explore and implement cost-saving measures.
- Efforts to expand collaboration with the East Hampton School District are ongoing.

Average % School Tax of Property Tax Bill

Location School	Tax (% of Total Property Tax Bill)
Sag Harbor	76%
East Hampton	75%
Southampton	72%
Southold	63%
Wading River	60%
Mattituck	58%
Riverhead	52%
Montauk	50%
Shelter Island	42%

Cost Per Pupil

District	Total spending (2025-26)	Enrollment (2025-26)	Per-pupil spending				
Amagansett	\$14,048,403	144	97,558	Oysterponds	\$5,841,258	105	55,631
Bridgehampton	\$23,499,778	201	116,914	Quogue	\$10,949,552	93	117,737
East Hampton	\$88,140,847	1,643	53,646	Remsenburg-Speonk	\$16,794,247	269	62,432
East Quogue	\$32,321,141	365	88,551	Riverhead*	\$192,437,458	5,439	35,381
Fire Island	\$6,098,125	41	148,735	Sag Harbor	\$52,360,463	903	57,985
Fishers Island	\$4,376,221	60	72,937	Shelter Island	\$13,298,131	190	69,990
Greenport	\$26,959,058	678	39,763	Southampton	\$82,236,406	1,150	71,510
Hampton Bays	\$67,495,698	2,070	32,607	Southold	\$35,629,000	630	56,554
Mattituck-Cutcho gue	\$46,765,442	965	48,462	Springs	\$38,411,791	661	58,112
Montauk	\$24,564,115	329	74,663	Tuckahoe	\$25,678,063	375	68,475
				Westhampton Beach	\$66,756,249	1,568	42,574

Shelter Island is 9th out of 21 for school districts cost per pupil.

Shelter Island, despite having additional costs of living on an island, is \$10,201,647 (77%) less than the district that almost mimics the student size and district makeup (K-12).

Operations and Maintenance of Plant

- The District employs six full time employees who are responsible to maintain, repair, clean and operate the District's buildings and property.
- The Department works with outside vendors on larger projects and on specialty projects, such as the abatement of hazardous materials.
- The Department works with the District's architect/engineer on long-range planning and the preventative maintenance of the real property of the District.



Proposed Budget - Operations and Maintenance of Plant

	2025-2026 Adopted Budget	2026-2027 Proposed Budget	Percent Change
Plant Operations	\$666,864	\$671,843	0.75%
Plant Maintenance	\$271,878	\$287,153	5.62%
Total	\$938,742	\$958,995	2.16%

All figures are subject to adjustment.



Debt Service

- The District has issued bonds or other borrowings that represent the unconditional promise of the District to repay the loan.
- Debt schedules are determined at the time the loan is finalized.
- The District also borrows money each fall in anticipation of property tax receipts being received beginning each January. This Tax Anticipation Note is repaid each June, with interest.



What Are Transfers to Other Funds?

- The District must cover a portion of the costs of summer instruction for Special Education students. The balance is paid via grant to the Special Aid Fund.
- Due to its operating expenses and limited revenue sources, the Cafeteria runs a deficit each year. The General Fund then must support such deficits through a transfer to the Cafeteria Fund.



Proposed Budget - Debt Service and Transfers to Other Funds

	2025-2026 Adopted Budget	2026-2027 Proposed Budget	Percent Change
Bonds Principal and Interest	\$302,801	\$301,412	-0.46%
Energy Performance Contract Principal and Interest	\$82,982	\$82,982	0.00%
Tax Anticipation Note Interest	\$43,000	\$58,000	34.88%
Transfer to Special Aid Fund	\$11,000	\$11,000	0.00%
Transfer to Cafeteria Fund	\$158,290	\$173,290	9.48%
Total	\$598,073	\$626,684	4.78%

All figures are subject to adjustment.



Academic Administration and General Classroom Instruction

- Three administrators and 36 teachers provide general classroom instruction to all of the District's students.
- The District also employs non-instructional personnel who assist teachers and administrators in the performance of this responsibility.
- Classroom Equipment is any object purchased for instructional use that costs more than \$500.
- Classroom Contractual Expenses include field trip fees and RTI expenses.
- Classroom Materials and Supplies include textbooks and instructional items under \$500.



Proposed Budget - Academic Administration and General Classroom Instruction

	2025-2026 Adopted Budget	2026-2027 Proposed Budget	Percent Change
Academic Administration and Curriculum Development	\$453,323	\$464,703	2.51%
Classroom Instructional Salaries	\$2,961,295	\$3,017,604	1.90%
Classroom Non-Instructional Salaries	\$150,224	\$152,138	1.27%
Classroom Equipment	\$2,196	\$2,196	0.00%
Classroom Contractual Expenses	\$26,416	\$27,349	3.53%
Classroom Materials and Supplies	\$60,357	\$66,598	10.34%
Classroom Textbooks	\$0	\$0	--%
BOCES Services	\$17,585	\$18,244	3.75%
Total	\$3,671,396	\$3,748,833	2.11%

All figures are subject to adjustment.



Special Education

- Students with Special Education needs receive uniquely tailored instruction that meets their need. Such instruction includes:
 - Smaller class sizes
 - One-to-one aides to focus on learning tasks
 - Speech instruction, physical therapy and occupational therapy
 - Residential settings with limited outside influences
- The academic path of Special Education students is determined by the Committee on Special Education (CSE) which writes an Individual Education Plan (IEP) for the student.



Occupational Education

- Select high school students can attend half-day courses at BOCES to learn career and occupational skills, such as automotive and marine engine repair, barbering, and culinary.
- Rates are set by BOCES and are subject to a three-year rolling average of enrollment.
- Regardless of enrollment in 2026-2027, the District will be paying for three student to attend BOCES Occupational Education programs.
- District Administration is seeking relief from BOCES for this charge should the District send no students to Occupational Education programs.



Guidance, Counseling and Health

- The District's guidance counselor works with students to select courses and plan a cohesive and logical progression of study during their years in the building. The guidance counselor then works with 12th grade students to apply for college and prepare for career pathways.
- The District's psychologist and school counselor provide counseling and specialized services to students and families.
- The District's nurse monitors the health of students and works with families and local physicians to promote healthy lifestyles.



Proposed Budget - Special Education, Occupational Education, Summer School, Library and Computer Instruction, and Guidance, Counseling and Health

	2025-2026 Adopted Budget	2026-2027 Proposed Budget	Percent Change
Special Education	\$1,255,932	\$1,361,458	8.40%
Occupational Education	\$15,500	\$52,581	239.23%
ENL Instruction	\$169,293	\$180,880	6.84%
Library and Computer Instruction	\$311,751	\$295,403	-5.24%
Guidance, Counseling and Health	\$484,101	\$477,782	-1.31%
Total	\$2,236,577	\$2,368,105	5.88%

All figures are subject to adjustment.

Regardless of enrollment in 2026-2027, the District will be paying for three student to attend BOCES Occupational Education programs. District Administration is seeking relief from BOCES for this charge should the District send no students to Occupational Education programs.



State Aid

- The Governor has released a State Aid proposal for Districts across New York.
- Foundation Aid to Shelter Island is increasing by 1.00%, or about \$4,400. But the District is losing in other aid categories.
- The overall change is a reduction of \$178 in State Aid.
- The District will seek additional State Aid in the Legislature's budget, which is due April 1.

	2025-2026 Anticipated	2026-2027 Governor's Proposal Projected	Change	Percent Change
Foundation Aid	\$442,880	\$447,308	\$4,428	1.00%
BOCES	\$79,515	\$92,767	\$13,252	16.67%
Software, Library, Textbook	\$15,139	\$14,920	-\$219	-1.45%
Transportation	\$29,835	\$22,750	-\$7,085	-23.75%
Building Aid	\$40,368	\$29,814	-\$10,554	-26.14%
High Tax Aid	\$100,000	\$100,000	\$0	0.00%
Total	\$707,737	\$707,559	-\$178	-0.03%

All figures are
subject to
adjustment.



Property Tax Cap - What Does The Law Say?

Revenues raised by the District through property tax – “the levy” – can increase no more than approximately 2%, or CPI, whichever is less, plus several exemptions.

- Exempt from the tax calculation:
 - Capital costs
 - Some pension costs in some years (Not in the 2026-2027 budget cycle)



Shelter Island UFSD Property Tax Calculations

Prior school year tax levy	\$11,742,232
Tax base growth factor	1.0014
Product	\$11,758,671
PILOT in Prior Year	\$63,458
Sum	\$11,822,129
Capital Tax Levy in Prior Year	\$375,110
Difference	\$11,447,019
Allowable Levy Growth Factor	1.02
Product	\$11,675,960
PILOT in Coming Year	\$63,458
Difference	\$11,612,502
Capital Tax Levy in Coming Year	\$388,253
Tax Levy Limit Plus Exclusions	\$12,000,754

All figures are subject to adjustment.

The Board of Education will be asked to approve a resolution related to these calculations at this evening's Board meeting to allow the District to file a report with NYSED and the New York State Comptroller.

Budget - Next Steps

- The District will continue to monitor developments in educational needs for next year between now and when the budget must be finalized.
- The District will also continue to monitor any changes in the proposed state aid. The Legislature is *expected* to adopt a budget on or before April 1, 2026.
- The budget presentations will continue, following the schedule on the next slide.

Next Time...

- March 2, 2026 - Budget Workshop - 5:30 pm, Conference Room
- March 16, 2026 - Budget Overview - 5:30 pm, Conference Room
- March 30, 2026 - Budget Meeting *IF NEEDED*, 5:30 pm, Conference Room
- April 20, 2026 - Board Adopts Budget - 5:30 pm, Conference Room
- May 11, 2026 - Public Budget Hearing - 5:30 pm, Conference Room
- May 19, 2026 - Budget Vote & Board Member Elections, 10:00 am - 8:00 pm, Gymnasium (NEW HOURS)

