

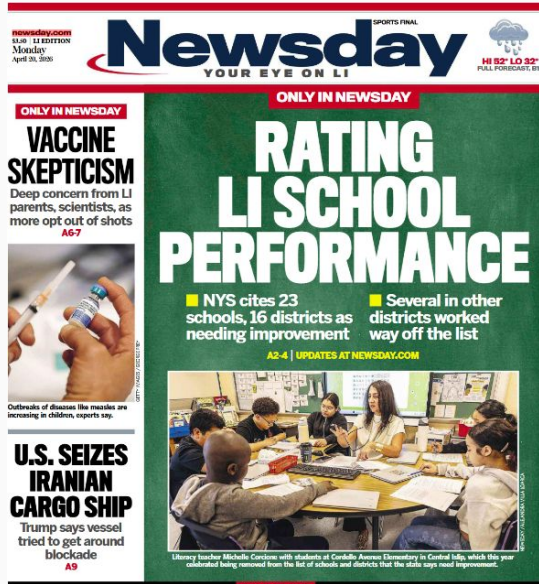
Shelter Island UFSD 2026-2027 Proposed Budget



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

Board of Education Meeting of April 20, 2026
Budget Adoption
Presentation #5

School District Has Shown Tremendous Growth



Reminder from 2020/2021

Today



Why Is It Necessary to Exceed the Property Tax Cap?

- The Board of Education has been reviewing a budget that will require voter approval to exceed the property tax cap.
- For many years, the District has operated with a highly lean and efficient budget.
 - For example, Bridgehampton serves a student population similar in size to Shelter Island, yet operates with a budget that is nearly \$10 million higher.
- Over time, property tax revenues have not kept total pace with the District's growing expenditure needs.
- While property taxes have increased by roughly 2% annually, key costs, such as health insurance, have risen by 12% or more each year, creating a widening financial gap.
- To address these shortfalls over the past 7 years, the District has implemented gradual reductions through attrition and strategic measures while relying on reserve funds in recent years; however, this approach is not sustainable long term, as reserves cannot continue to support ongoing needs.
- Limited year-end surpluses have also made it difficult to meaningfully rebuild reserve funds.
- Finally, the Board recognizes the importance of providing a Pre-K 3 program on the Island, where families have limited alternative options for early childhood education.



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.

Other Cost Saving Measures

- Further collaboration with East Hampton School District and other districts.
- The business consultant and administration have been working and securing contractual personnel agreements.
- UPK Grant money.

The Budget Recommended for **Adoption** is as follows...

	2025-2026 Adopted Budget	2026-2027 Proposed Budget	Percent Change
Board of Education	\$133,451	\$141,013	5.67%
Central & Business Administration	\$744,635	\$780,708	4.84%
Facilities	\$938,742	\$816,459	-13.03%
Property Insurance and BOCES Administration	\$224,020	\$241,579	7.84%
Academic Administration and General Instruction	\$3,671,396	\$3,746,960	2.06%
Special Education and Other Instruction	\$2,236,577	\$2,178,342	-2.60%
Clubs and Athletics	\$297,923	\$307,365	3.17%
Transportation	\$516,425	\$520,221	0.73%
Benefits	\$3,936,899	\$4,214,359	7.05%
Debt Service	\$428,783	\$442,394	3.17%
Transfer to Other Funds	\$169,290	\$184,290	8.86%
Total	\$13,298,141	\$13,573,689	2.07%

All figures are subject to adjustment prior to Board adoption.



Anticipated Revenue Budget

	2025-2026 Anticipated	2026-2027 Proposed	Percentage Change
Property Taxes	\$11,742,232	\$12,538,689	6.78%
State Aid	\$708,725	\$709,000	0.04%
Reserves	\$211,000	\$50,000	-76.30%
Interest Income	\$141,000	\$100,000	-29.08%
Appropriated Fund Balance	\$495,174	\$176,000	-64.46%
Total	\$13,298,131	\$13,573,689	2.07%

Why is the Appropriated Fund Balance decreasing? As the expenditure budget grows tighter and tighter each year, there is less money left over as surplus to apply to the following year's Appropriated Fund Balance.

How Does The 6.78% Increase Impact Taxes?

Assessed Valuation	2025-2026 Actual School Taxes Paid	2026-2027 Proposed School Taxes Paid	Increase In School Taxes
\$1,000,000	\$1,864.40	\$1,988.25	\$123.85
\$1,621,000	\$3,022.19	\$3,223.05	\$206.52
\$2,200,000	\$4,101.68	\$4,374.35	\$272.67

The Assessor's Office indicates that the average home on Shelter Island is assessed at a value of \$1,621,000. Figures are estimations based on best projections of property value.



What Does This Budget Do?

- Maintains all current programs.
- Brings back the ½ Day Pre-K 3 program.
- Helps the District replenish and rebuild some reserves.
- Sets the District on a stable course where piercing the cap will be highly unlikely for years to come.

What Happens If This Budget Is Not Approved?

- The Board of Education will need to reduce the proposed budget by \$513,934. This can be accomplished by cutting the entirety or portions of the following:
 - Extra Curricular Activities
 - Athletics
 - Cafeteria
 - Field Trips
 - Staff
- Or any combination of other programs that equate to the \$513,934 needed to remain under the property tax cap.



Next Time...

- 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)

Need an absentee ballot? Call (631) 749-0302 x 110.

Email: district.clerk@shelterisland.k12.ny.us

