

2026-27 Budget Hearing

Proposed Budget

May 6, 2026

Presented by: John Belmonte, Acting Assistant Superintendent of Finance and Management Services



Fiscal Recovery Plan Update: 2024-25 and 2025-26 Deficits Resolved

S10102 / A11166 Authorizes up to \$11M in deficit financing and up to \$7M in a state aid advance.

STATE OF NEW YORK

10102

IN SENATE

April 29, 2026

Introduced by Sen. SERRANO -- (at request of the Governor) -- read twice and ordered printed, and when printed to be committed to the Committee on Rules

AN ACT authorizing the South Country central school district, in the county of Suffolk, to finance certain deficits by the issuance of bonds and providing for advance school aid to such district; and providing for the repeal of such provisions upon expiration thereof (Part A); and to amend part III of chapter 58 of the laws of 2023,

STATE OF NEW YORK

11166

IN ASSEMBLY

April 29, 2026

Introduced by M. of A. PRETLOW -- (at request of the Governor) -- read once and referred to the Committee on Ways and Means

AN ACT authorizing the South Country central school district, in the county of Suffolk, to finance certain deficits by the issuance of bonds and providing for advance school aid to such district; and providing for the repeal of such provisions upon expiration thereof (Part A); and to amend part III of chapter 58 of the laws of 2023,

Purpose of the Special Act Legislation and General Fund Advance

❑ Special Act Legislation and the General Aid Advance were essential tools that allowed the District to stabilize today, protect students tomorrow, and responsibly recover from prior fiscal challenges

❑ Each Solve Two Different - but Equally Critical Problems:

1. General Aid Advance = Cash Flow (Liquidity)

2. Special Act Legislation (Deficit BAN) = Structural Deficit Solution

Provides legal authority to borrow to cover:

2024–25 overspend

2025–26 projected deficit

LEGISLATION DOES NOT PROVIDE RELIEF FOR 2026-27

Converts an immediate fiscal crisis into a manageable, multi-year repayment plan!

Clear Distinction

General Aid Advance:

- Short-term
- Cash flow only
- Repaid through future aid
- No interest costs

Special Act Borrowing:

- Long-term
- Addresses the deficit
- Structured repayment over time

One keeps us operating - the other restores our financial health!

Together, these tools allow the District to stabilize operations, avoid harm to students, and implement a responsible, multi-year recovery plan that puts South Country back on solid financial footing!

Next Steps – Deficit Financing and General Aid Advance

General Aid Advance:

- ❑ Separate Bills , S10103 & A11165 also approved and signed by Governor to provide South Country the \$7M Advance prior to NYS Budget being approved,
- ❑ District expects receipt of \$7M advance May 18, 2026.

Deficit Financing:

- ❑ May 6, 2026: BOE approves resolution authorizing the issuance of Deficit BAN (Bond Anticipation Note),
- ❑ Assistant Sup't for Finance, Bond Counsel, General Counsel, Munistat (Fiscal Advisor) construct and work on a structured sale of BAN → BOE approves results of sale,
- ❑ Sale of BAN and closing by May 28, 2026,
- ❑ Cash flow and financing needs now in place, District makes timely payoff of existing \$27.5M TAN debt on May 29, 2026.

SETS A CLEAR SMOOTH PATHWAY AS WE BEGIN TO NAVIGATE THE 2026-27 SCHOOL-YEAR

Multi Year Deficit Financing Plan

PRESENTED
4/22/26

Funding Plan for the 2024-25 and 2025-26 School-Years

IMMEDIATE NEED: 2024-25: -\$1.8M(actual) + 2025-26: \$8.7M(projected) ≈ \$11.0M

1. By the end of May 2026 we need to borrow to ensure the district can meet its obligations and pay off the TAN of \$27.5M that is due 5/29/26.
2. District still counting on the State to come through with Special Act legislation in the pending NYS Budget.
3. We have worked with SED to also get a \$7.0M advance of our General Aid to assist in our cash flow needs. This would be an interest free loan, that gets paid back from subsequent years aid payments – up to 30 years.
4. Having this available would also allow to reduce subsequent TAN borrowing by the \$7.0M achieving significant interest cost savings.. i.e. \$7.0M @ 5% ≈ \$350K savings
5. EVERYTHING HINGES ON THE STATE HAVING A BUDGET IN PLACE SOON AND THE PROVISION FOR SOUTH COUNTRY’S SPECIAL ACT LEGISLATION IS INCLUDED TO DO LONG TERM DEFICIT BORROWING SO WE CAN SPREAD THE OBLIGATIONS OVER MULTI YEARS - STILL WE MUST PLAN FOR A PLAN B!

IMMEDIATE FUNDING PLAN

- Based on cash flow needs for May & June 2026, plan to borrow \$14.0M TAN, to be paid back by 6/30/26 when the district receives balance of tax levy monies and state aid (approx. interest costs \$58K).
- IF... State has an adopted budget in beginning of May, could receive \$7.0M advance of General Aid by May, 18 2026 – if happens could reduce TAN borrowing.
- Absent an approved State budget, with Special Act Legislation, prepare to borrow on ‘short term Deficit and Budget Notes.
- IF... State budget approved in early May, with our Special Act Legislation, will look to borrow a Deficit BAN and forgo Short-Term Notes borrowing.

Why Schools Stay Open in New York State

Strong Oversight

NYSED & OSC monitor finances
and require corrective action

Legal Requirement

180-day instructional mandate
Schools cannot close mid-year

Financial Tools

BANs, RANs, TANs, Aid Advances
and Special Act Financing

State Intervention

Oversight ensures continuity
for students and staff

NEW YORK STATE'S SYSTEM IS DESIGNED TO KEEP SCHOOLS OPEN - EVEN DURING FINANCIAL CHALLENGES

Vision Forward and Core Values in Building the 2026-27 Budget

FIXED THE STRUCTURAL IMBALANCE
ESTABLISHED PROACTIVE FINANCIAL MONITORING
AND TIMELY BUDGET ADJUSTMENTS

Restore Fiscal Stability

- Align recurring revenues with recurring expenditures
- Eliminate reliance on one-time funding sources
- Implement a multi-year financial recovery plan

Strengthen Financial Controls & Oversight

- Monthly budget-to-actual monitoring
- Real-time financial reporting to leadership and Board
- Strict controls on:
 - Hiring
 - Purchasing
 - Contractual commitments

FIXED THE PRIOR PATTERN OF UNDERBUDGETING EXPENDITURES
SUPPORTS LONG-TERM DEFICIT REDUCTION

Build Accurate & Transparent Budgets

- Budget based on:
 - Actual staffing levels
 - Contractual obligations
 - Historical cost trends
 - Conservative and realistic revenue projections
- ## Implement Sustainable Cost Structure
- Right-size staffing and programs to enrollment and need
 - Evaluate all expenditures through a lens of:
 - Educational value
 - Financial sustainability

Decisive Corrective Actions Implemented

We cannot change the past, but we have fully taken control of the future. This plan ensures that South Country operates within its means, protects students, and rebuilds the financial integrity our community expects.

- Spending Controls: Strict approval protocols
- Financial Monitoring: Monthly budget reviews
- Budget Reconstruction: Based on actual costs
- Cost Reductions: Staffing and operational adjustments
- Outcome: Re-established financial control



2026-27 Budget REQUIREMENTS

- Budget Information Must Be In English & Spanish;
- Salary Codes Broken Down by Building/Department – Transparency Reporting; Requirement by Building
- Three – Part Budget: Administrative, Program, Capital;
- Administrative Salary Information;
- School District Budget Notice;
- NYS School Report Cards:
 - Property Tax Report Card;*
 - Fiscal Transparency Reports;*
 - Academic Performance Reports;*
 - Property Tax Exemption Report*

For detailed information, please visit the Website at : www.southcountry.org

South Country CSD: 2026-27 School District Budget Notice

Overall Budget Proposal	Budget Adopted for the 2025-26 School Year	Budget Proposed for the 2026-27 School Year	Contingency Budget for the 2026-27 School Year *
Total Budgeted Amount, Not Including Separate Propositions	\$ 147,164,277	\$ 150,516,580	\$ 140,899,330
Increase/Decrease for the 2026-27 School Year		\$ 3,352,303	\$ -6,264,947
Percentage Increase/Decrease in Proposed Budget		2.28 %	- 4.26%
Change in the Consumer Price Index		2.63%	
A. Proposed Levy to Support the Total Budgeted Amount	\$ 71,496,354	\$ 81,113,604	
B. Levy to Support Library Debt, if Applicable	\$ -0-	\$ -0-	
C. Levy for Non-Excludable Propositions, if Applicable **	\$ -0-	\$ -0-	
D. Total Tax Cap Reserve Amount Used to Reduce Current Year Levy	\$ -0-	\$ -0-	
E. Total Proposed School Year Tax Levy (A + B + C - D)	\$ 71,496,354	\$ 81,113,604	\$ 71,496,354
F. Total Permissible Exclusions	\$ 5,427,851	\$ 7,008,632	
G. School Tax Levy Limit, <u>Excluding</u> Levy for Permissible Exclusions	\$ 66,068,503	\$ 68,434,098	
H. Total Proposed School Year Tax Levy, <u>Excluding</u> Levy to Support Library Debt and/or Permissible Exclusions (E – B – F + D)	\$ 66,068,503	\$ 74,104,972	
I. Difference: G – H (Negative Value Requires 60.0% Voter Approval – See Note Below Regarding Separate Propositions) **	\$ -0-	\$ -5,670,874	

The 2026-27 Proposed Budget pierces the Tax Levy Cap of 5.52% and requires a supermajority vote of the community – 60% passing rate.

The 2026-27 Proposed Budget addresses the district's deficit: eliminated through the proposed 13.45% tax levy.

South Country CSD: 2026-27 School District Budget Notice

Overall Budget Proposal	Budget Adopted for the 2025-26 School Year	Budget Proposed for the 2026-27 School Year	Contingency Budget for the 2026-27 School Year *
Administrative Component	\$ 17,359,732	\$ 18,350,230	\$ 17,521,998
Program Component	\$ 107,978,966	\$ 110,367,762	\$ 102,125,743
Capital Component	\$ 21,825,579	\$ 21,798,588	\$ 21,251,589

* Provide a statement of assumptions made in projecting a contingency budget for the 2026-27 school year, should the proposed budget be defeated pursuant to Section 2023 of the Education Law.

*A contingent budget will only contain legal expenditures specifically authorized by statute and expenditures that maintain educational programs, preserve property, and maintain the health and safety of students and staff.
Includes reductions in staffing, programs, capital items and non-contingent items such as student supplies, certain equipment, and community use of building and grounds.*

** List Separate Propositions that are not included in the Total Budgeted Amount: (Tax Levy associated with educational or transportation services propositions are not eligible for exclusion and may affect voter approval requirements)

Description	Amount
Reduction of transportation service for resident students attending non-public schools effective at the beginning of the 2026-2027 school year from 25 miles to 15 miles.	\$ -900,000
	\$
	\$
	\$

***NOTE TO SCHOOL DISTRICT BUSINESS OFFICIALS:** Please submit an electronic version (Word or PDF) of this completed form to: emscmgts@nysed.gov

Under the Budget Proposed
for the 2026-27 School Year

Estimated Basic STAR Exemption Savings¹

\$ 2,147

The annual budget vote for the fiscal year 2026-27 by the qualified voters of the South Country Central School District, Suffolk County, New York, will be held at the Bellport Middle School Auditorium in said district on Tuesday, May 19, 2026 between the hours of 7:00am and 9:00pm, prevailing time in the Bellport Middle School, at which time the polls will be opened to vote by voting ballot or machine. ***Districts should include information according to Executive Orders and as advised by legal counsel.***

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Board Adopted 4/22/26
SOUTH COUNTRY CSD
PROPOSED 2026 - 2027 BUDGET SUMMARY

	<u>2026-27 PROPOSED BUDGET</u>	<u>2025-26 CURRENT BUDGET</u>	<u>INCREASE/ (DECREASE)</u>	
Salaries	62,676,846	65,196,389	(2,519,543)	-3.86%
Fringe Benefits	37,267,052	35,208,721	2,058,331	5.85%
Total Salary & Benefits:	99,943,898	100,405,110	(461,212)	-0.46%
Debt Service	8,780,246	7,653,950	1,126,296	14.72%
Contractual Expenditures (4000 object codes, excluding Trans,BOCES, Text)	12,078,819	10,951,469	1,127,350	10.29%
BOCES	15,044,391	13,563,613	1,480,778	10.92%
Supplies	1,086,875	1,836,533	(749,658)	-40.82%
Textbooks/Workbooks	256,809	450,777	(193,968)	-43.03%
Transportation	12,646,442	11,617,023	1,029,419	8.86%
Transfers to:				
Cafeteria Fund	25,000	50,000	(25,000)	-50.00%
Special Aided Fund	300,000	250,000	50,000	20.00%
Equipment	354,100	385,802	(31,702)	-8.22%
TOTAL GENERAL FUND BDGT:	150,516,580	147,164,277	3,352,303	2.28%

SOUTH COUNTRY CSD PROPOSED 2026 - 2027 THREE - PART COMPONENT BUDGET SUMMARY

	2026-27 PROPOSED BUDGET	2025-26 CURRENT BUDGET	Dollar Change	%
Administrative	18,350,230	17,359,732	990,498	5.71%
Program	110,367,762	107,978,966	2,388,796	2.21%
Capital	21,798,588	21,825,579	-26,991	-0.12%
Total	150,516,580	147,164,277	3,352,303	2.28%

2026-27 Three-Part Component Budget

New York State law provides that all district budgets be identified in three categories:

ADMINISTRATIVE EXPENSES

- Curriculum Development
- Staff Development
- In-Service Development
- Personnel
- District Audits
- Central Printing/Mailing
- District Votes

CAPITAL EXPENSES

- Facilities Costs
- Debt Services
- Operations/Maintenance
- Supplies
- Utilities
- Personnel

PROGRAM EXPENSES

- Student Services
- Instructional Support
- Transportation
- Instructional Salaries and Benefits

	BUDGET 2025-2026	PROPOSED 2026-2027	DIFFERENCE \$
Administrative Component			
Board of Education	134,316	165,776	31,460
Central Administration	358,856	360,387	1,531
Finance	1,171,418	1,317,782	146,364
Legal Services	431,885	468,300	36,415
Personnel Services	462,360	449,554	(12,806)
Records Management	44,613	45,728	1,115
Public Information	71,001	73,651	2,650
Other Central Services	4,865,861	5,305,701	439,840
Curr. Development and Supervision	949,312	860,644	(88,668)
Supervision – Regular Schools	4,437,423	3,368,211	(1,069,212)
Research, Evaluation and Planning	51,549	28,985	(22,564)
Employee Benefits	4,381,138	5,905,511	1,524,373
Total Administrative Component	\$17,359,732	\$18,350,230	\$990,498
% of Budget	11.80%	12.19%	
Capital Component			
Operation of Plant	10,210,705	9,080,840	(1,129,865)
Maintenance of Plant	384,379	385,042	663
Employee Benefits	3,576,545	3,552,460	(24,085)
Debt Service	7,653,950	8,780,246	1,126,296
Transfer to Capital	0	0	0
Total Capital Component	\$21,825,579	\$21,798,588	(\$26,991)
% of Budget	14.83%	14.48%	
Program Component			
Instruction (Net of Supervision)	68,810,905	69,587,239	776,334
Other District Transportation	153,526	148,850	(4,676)
Contract Transportation*	11,463,497	12,497,592	1,034,095
Employee Benefits	27,251,038	27,809,081	558,043
Interfund Transfers	300,000	325,000	25,000
Total Program Component	\$107,978,966	\$110,367,762	\$2,388,796
% of Budget	73.37%	73.33%	
TOTAL BUDGET	\$147,164,277	\$150,516,580	\$3,352,303

On the Ballot:

Proposition #1: 2026-27 Annual Budget Vote

Proposition #2: Transportation

Proposition #2: Transportation

NON-PUBLIC SCHOOL TRANSPORTATION (REDUCTION)

Reduction of school bus service for resident students attending non-public schools, effective at the beginning of the 2026-2027 school year from 25 miles to 15, which would result in an estimated decreased annual expenditure by the District of \$900,000.

Approval of the Non-Public School Transportation Reduction Proposition means:

Budget is reduced by \$900,000 to \$149,616,580

Tax Levy is reduced by \$900,000 to \$80,213,604: lowering tax levy increase: 13.45% \Rightarrow 12.19%

Yearly Increase is reduced: from \$749/yr or \$62/month to \$666/yr or \$55.50/month

A Sustainable Path Forward: Protecting What Matters Most for Our Students

The 2026–27 Proposed Budget is built on sustainability, transparency, and sound fiscal principles thus allowing the District to maintain:

- Academic programs, including AP courses, and Dual Language initiative
- The Seal of Civic Readiness, Seal of Biliteracy, and AP Capstone diploma programs
- The music program, serving over 1,000 students in grades 4–12
- Social-emotional wellness initiatives for students and staff
- Interscholastic sports teams at the middle and high school levels
- Cocurricular clubs
- Security and maintenance of all district buildings

Maintaining Essential Programs Under a Sustainable Budget Framework

Protecting Elementary Programs and Class Size Stability

- ✓ Continuing to offer our K-3 Dual Language Program at Brookhaven
- ✓ Continuing to offer our 4-5 Dual Language Program at Frank P. Long
- ✓ Average class sizes remain at or below our largest current K–5 sections
 - Average Class Size across Grades 1-3 is 22 (K Still enrolling)
 - (Grades 4-5 Average Class size of 24)
- ✓ Continue to offer our students Art, Physical Education, Health and Library at the same levels as 2025 - 2026
- ✓ Continue to offer our students the same opportunities in Music, including Chorus, Band and Orchestra
- ✓ Continue to Support our students with the same level of service from our Literacy Coordinators and Math Specialists

Maintaining core instruction, enrichment, and student support services in grades K–5

Sustaining Secondary Course Offerings and Academic Opportunities

- ✓ Advanced Spanish Courses for BMS Dual Language Students
- ✓ Course Offerings in Grade 6, ELA, Math, Science, Social Studies, World Languages, Health, PE and FACS Remain the same as 2025 - 2026 SY
- ✓ Average Class Size in Core Classes in Grades 6,7 and 8 is 26.5
- ✓ Average Class Size in Non-Elective Core Classes at BHS is 25.6
- ✓ At BHS, All Electives with a minimum of 20 Student Requests will Run
- ✓ At BHS, All College Level and AP Courses will run with a minimum of 15 Student Requests

Maintaining core instruction, electives, and advanced coursework while managing class size

**SOUTH COUNTRY CSD
PROPOSED REVENUE & TAX RATE SCHEDULE FOR 2026-27**

	<u>2026-27</u>	<u>2025-26</u>	<u>Difference</u>	<u>Percent</u>
STATE AID	56,328,470	56,278,439	50,031	0.09%
Pilot Payments	7,691,506	7,742,234	(50,728)	-0.66%
OTHER INCOME:				
Use of Facility Fees/Custodial/Security	50,000	0	50,000	0.00%
Other Student Fees/Trips/Charges	10,000	115,000	(105,000)	-91.30%
Admissions/Other Dist. Foster	65,000	50,000	15,000	30.00%
Health Services	70,000	0	70,000	0.00%
Sales of Equipment/Surplus/Materials	25,000	0	25,000	0.00%
Rentals/Organizations/Head Start	74,000	73,272	728	0.99%
Election Rentals/Library Vote	15,000	10,000	5,000	50.00%
Miscellaneous Revenue Rebates/EPC	405,000	0	405,000	0.00%
Interest and Earnings	525,000	943,978	(418,978)	-44.38%
Insurance Recoveries	25,000	0	25,000	0.00%
Medicaid Reimb. - School Age Programs	100,000	100,000	0	0.00%
Refunds - BOCES/Prior Year/Other	1,300,000	505,000	795,000	157.43%
Premium on Obligations (TANS)	10,000	200,000	(190,000)	-95.00%
Miscellaneous Income	25,000	75,000	(50,000)	-66.67%
TOTAL OTHER INCOME	2,699,000	2,072,250	626,750	30.24%
TOTAL STATE AID & OTHER INCOME	66,718,976	66,092,923	626,053	0.95%

No NYS approved budget as of 5/6/26

SOUTH COUNTRY CSD
PROPOSED REVENUE & TAX RATE SCHEDULE FOR 2026-27

	<u>2026-27</u>	<u>2025-26</u>	<u>Difference</u>	<u>Percent</u>
APPROP. FUND BALANCE	0	5,000,000	(5,000,000)	-100.00%
APPROP. RESERVE FOR ERS	800,000	1,425,000	(625,000)	-43.86%
APPROP. RESERVE FOR TRS	500,000	1,600,000	(1,100,000)	-68.75%
APPROP. RESERVE FOR UNEMPLOYMENT	384,000	150,000	234,000	156.00%
APPROP. RESERVE FOR WORKERS COMP	200,000	650,000	(450,000)	-69.23%
APPROP. RESERVE EMPLOYEE BENEFIT	800,000	750,000	50,000	6.67%
	2,684,000	9,575,000	(6,891,000)	-71.97%
Special Act Legis: Deficit BAN Borrowing	0	0		
PROPERTY TAXES*	81,113,604	71,496,354 *	9,617,250	13.45%
TOTAL REVENUE/BUDGET	150,516,580	147,164,277	3,352,303	2.28%
	2026-27	2025-26	Difference	Percent
Tax Rate Per \$100	290.508	261.682	28.827	11.02%
Home Assessed @ \$2,600	7,553	6,804	749	11.02%

Notes:
 For 2026-27 - significantly less reliance on Reserves!

Beyond 2026-27 future budgets must better align actual available revenues with projected budgetary costs!

Fund Balance Analysis

Components of Fund Balance	2024-25	2023-24	2022-23	2021-22	2020-21	2019-20
Nonspendable Inventory	-	-	8,346	-		
Restricted:						
Workers Compensation	1,210,338	2,170,818	2,630,052	2,616,967	3,112,765	3,054,898
Unemployment Insurance	1,288,609	1,307,180	1,328,156	1,343,109	1,356,178	1,352,695
Teachers' Retirement (TRS)	1,600,001	2,353,098	2,318,323	1,974,880	1,706,947	1,253,719
Employees' Retirement (ERS)	3,873,424	4,828,951	5,690,744	6,159,944	5,652,314	5,089,209
Employee Benefit Accrued Liability	7,091,668	7,368,701	7,748,598	7,316,407	6,212,921	4,957,954
Capital Reserve	1,819,312	4,089,938	4,948,513	5,280,000	2,345,053	2,339,030
Assigned:						
Appropriated Fund Balance	-	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
Unappropriated Fund Balance	285,979	783,741	1,075,657	1,148,919	991,710	450,634
Unassigned Fund Balance	(1,783,248)	4,755,059	5,635,280	5,711,956	5,818,051	5,533,226
Total Fund Balance	15,386,083	31,657,486	35,383,669	35,552,182	31,195,939	28,031,365

Prior year Actuals
From the end of the 2021-22 school-year to the end of the 2024-25 school-year Fund Balance was reduced by \$20,166,099 down to \$15,386,083.

Copoents of Fund Balance	Projection 2025-26 School-Year			Projection 2026-27 School-Year	
	June 30, 2025	Planned Use 2025-26	Balance 2025-26	Planned Use 2026-27	Proj Balance 2026-27
WORKERS' COMPENSATION RESERVE	1,210,338.00	750,000.00	460,338.00	200,000.00	260,338.00
UNEMPLOYMENT INSURANCE RESERVE	1,288,609.00	85,000.00	1,203,609.00	384,000.00	819,609.00
RES. FOR STATE & LOCAL RET SYS	3,873,424.00	712,500.00	3,160,924.00	800,000.00	2,360,924.00
RESERVE FOR TEACHERS RET SYS	1,600,001.00	800,000.00	800,001.00	500,000.00	300,001.00
RESERVE FOR EMPLOYEE BENEFITS	7,091,668.00	875,477.00	6,216,191.00	800,000.00	5,416,191.00
CAPITAL RESERVE	1,819,312.00	0.00	1,819,312.00	0.00	1,819,312.00
UNASSIGNED FUND BALANCE (Deficit)	-1,497,269.00	0.00	0.00	0.00	0.00
Total Fund Balance	15,386,083.00	3,222,977.00	13,660,375.00	2,684,000.00	10,976,375.00

Projections Thru 6/30/27
The projected available Fund Balance at 6/30/27 is \$10,976,375.

This approach is NOT sustainable. The District must reduce its reliance on fund balance and reserves and adopt sound fiscal practices that limit their use to one-time, non-recurring expenditures

Understanding How School Taxes Are Calculated

Example Based on Average Assessed Home Value in South Country CSD

STEP 1

Average Assessed Value

\$2,600

STEP 2

Divide by 100

26

STEP 3

Multiply by School Tax Rate

26 × \$290.508

RESULT

Estimated Annual School Taxes

\$7,553

Estimated School Tax Impact

	2025-26	2026-27
Estimated School Taxes	\$6,804	\$7,553
Estimated Increase		+\$749

**Approximate Monthly Increase:
About \$62 Per Month**

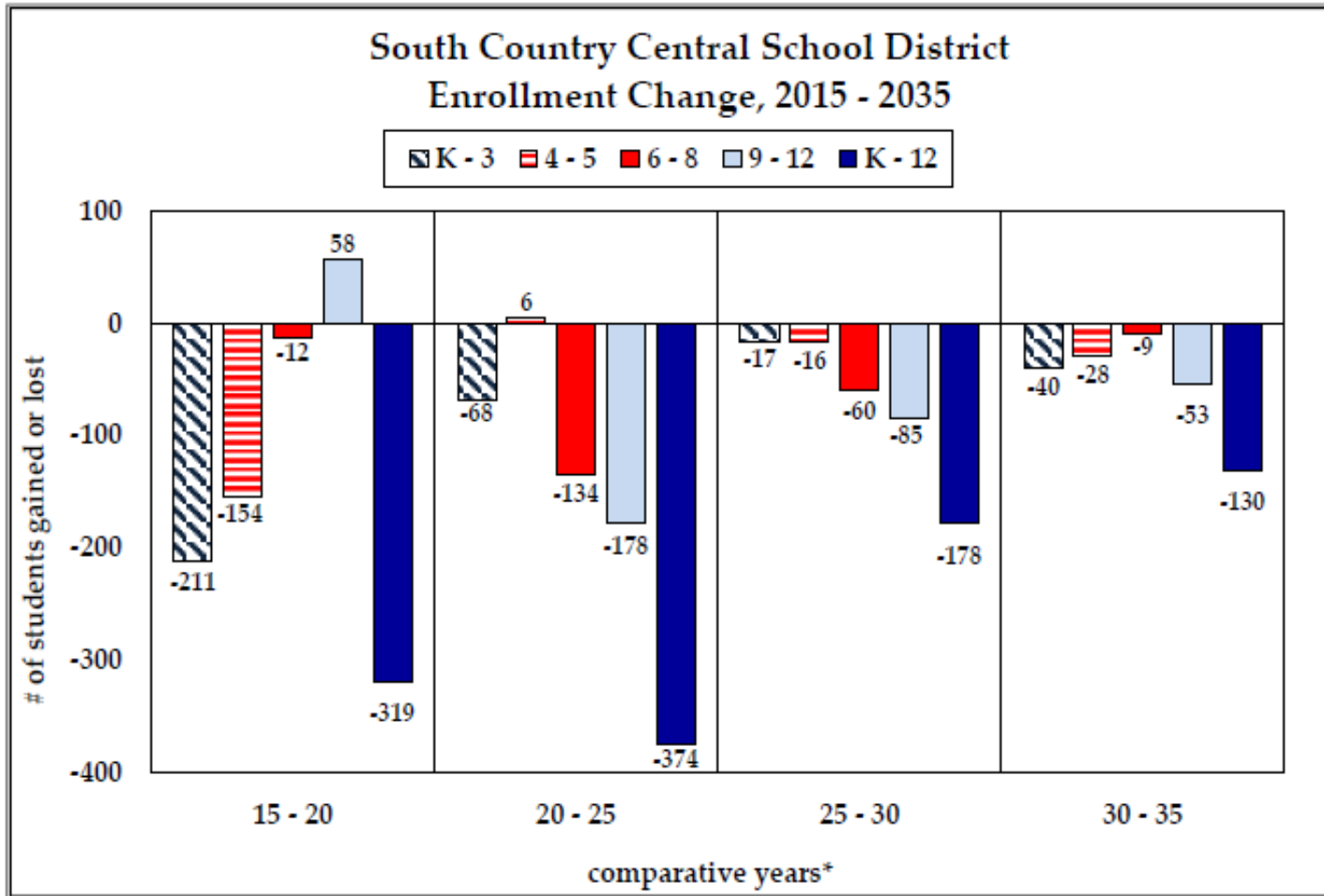
Estimated School Tax Impact by Average Assessed Home Value

Average Assessed Value	Estimated Annual Increase	Approx. Monthly Increase	With Transportation Proposition
\$3,600	\$1,038	\$86	\$77
\$3,100	\$894	\$74	\$66
\$2,600	\$746	\$62	\$55
\$2,100	\$605	\$50	\$45
\$1,600	\$461	\$38	\$34

Taxpayers can find their taxable assessed value on their School Tax Bill or through the Town of Brookhaven Assessor's Office property records.

Important: Assessed value is determined by the Town of Brookhaven Assessor and is not the same as market value. This example reflects school taxes only and does not include STAR savings.

Changes in Enrollment



* Historical period includes 2015 - 2020 and 2020 - 2025 comparative periods, projection period includes 2025 - 2030 and 2030 - 2035 comparative periods

Figure 13. South Country CSD Enrollment Change

Enrollment in the South Country Central School District decreased by 693 students, or 15.9 percent, from 2015 to 2025.

The forecasted 2035 enrollment of 3,345 students represents a decrease of 308 students, or 8.4 percent, when compared to the current enrollment of 3,653 students in 2025.

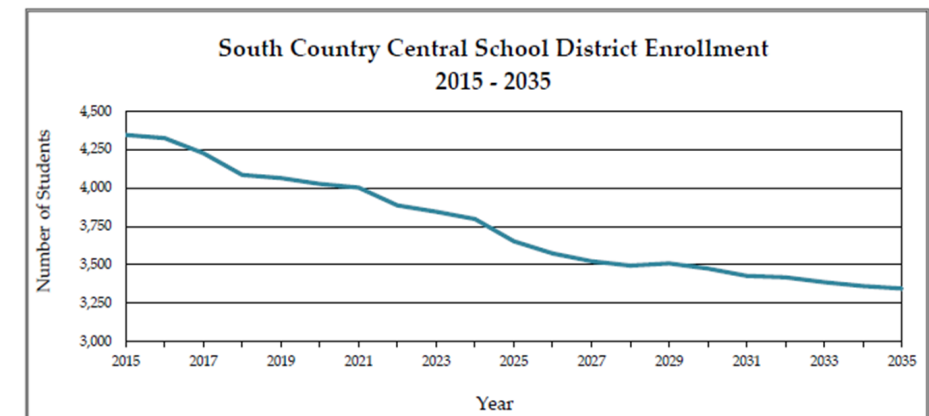


Figure 12. South Country CSD, K - 12 Enrollment

Data-Driven Alignment: Enrollment → Staffing → Class Size

Enrollment ↓
2015-25 = -693
2025-35 = -308

Sections Adjusted

Staffing -60.5 FTE

Class Sizes Stable

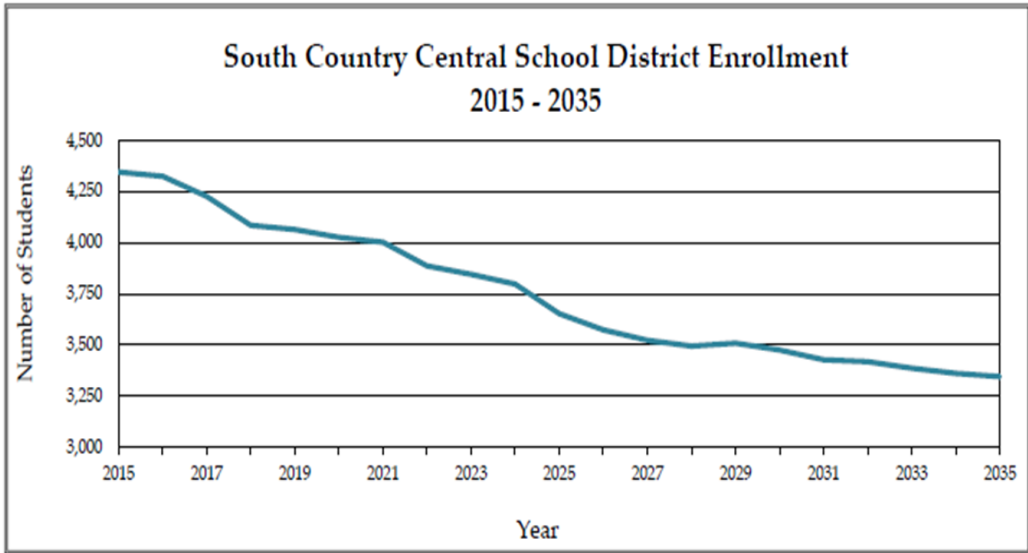
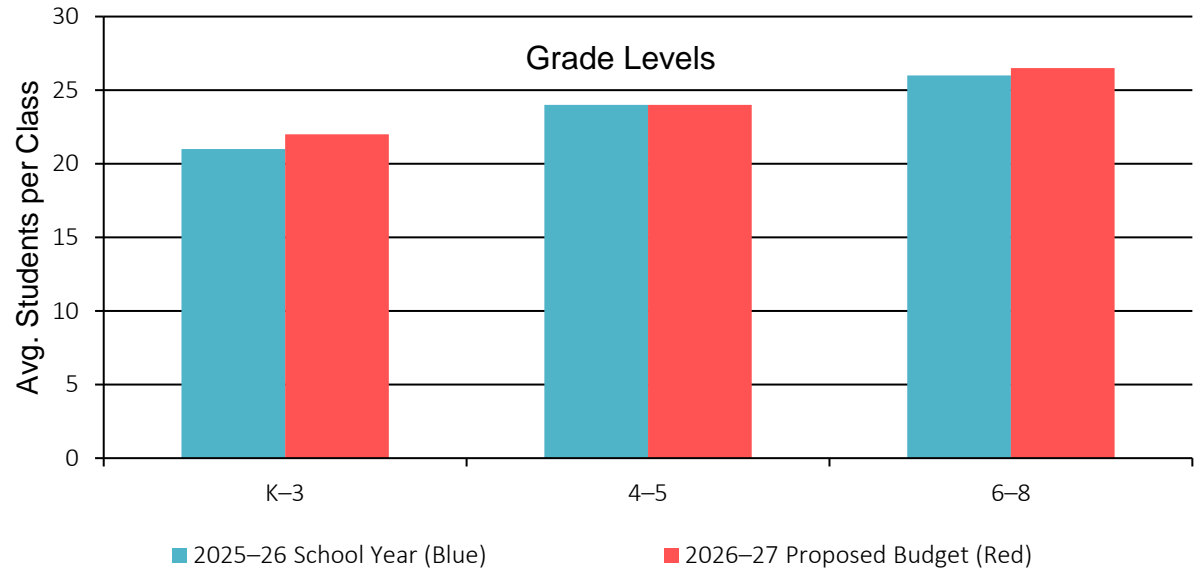


Figure 12. South Country CSD, K - 12 Enrollment



Through data-driven, long-range planning, the District has aligned staffing with declining enrollment - achieving necessary fiscal corrections while preserving stable class sizes and minimizing disruption to student learning.

UNDER STANDING A CONTINGENT BUDGET

Contingency Budgets: Key Elements of the Law



- School District residents will vote on the Proposed Budget on May 19, 2026;
- Should the budget fail, the Board has the option of putting up the same, or a revised budget, for a revote by June 16, 2026, or adopt a contingent budget,
- If the budget fails twice, the District must adopt a contingent budget with a 'ZERO' percent increase on the current tax levy!

What is a Contingent Budget?

1. A contingent budget will only contain legal expenditures authorized by statute and expenditures that maintain educational programs, preserve property, and maintain the health and safety of students and staff.
2. A contingent budget includes reductions in staffing, programs, capital items, and non-contingent items such as student supplies, certain equipment, and community use of building and grounds.



2026-27 PROPOSED CONTINGENT BUDGET

Component	Proposed 2026-27		Contingent Budget		Change
Administrative Budget:	18,350,230	12.19%	17,521,998	12.44%	828,232
Program Budget:	110,367,762	73.33%	102,125,743	72.48%	8,242,019
Capital Budget:	21,798,588	14.48%	21,251,588	15.08%	547,000
TOTALS:	150,516,580	100.00%	140,899,330	100.00%	9,617,250

- ❖ If the budget fails twice, the District must adopt a contingent budget with a 'ZERO' percent increase on the current tax levy and make additional budgetary reductions of \$9,617,250.

In Summary: Under A Contingent Budget



Administrative Budget: reduce by \$828,232

Program Budget: reduce by \$8,242,019

Capital Budget: reduce by \$547,000

Total Program & Support Reductions of \$9,617,250

Potential Areas for Additional Budget Reductions

Operations

- All Field Trips (Cut – Draft IV)
- Equipment (Reduced – Draft IV)
- Supplies (Reduced – Draft IV)
- Use of Facilities
- Transportation (State Minimum 2/3 Miles)
- Transportation (Eliminate All District-Wide)
- Security
- Teacher Coverages
- Substitutes

Requires voter referendum

Administration

- Administration (Salary & Benefits)
- Director of Guidance
- ~~Director of ENL~~
- ~~Asst. Director of Special Ed.~~
- Director of Technology

Programs

- General Ed TAs (20 FTEs)
- FPL Extracurriculars
- Clubs & Intramurals
- MS Athletics
- HS Athletics (JV/Varsity)
- Driver Ed
- Late Buses (Cut – Draft IV)
- Trainer

Instructional Impacts

- Eliminate Band/Chorus/Orchestra
- Eliminate Art Electives
- Eliminate FCS
- Eliminate AP Courses
- Eliminate World Languages
- Eliminate College Span
- Literacy Coordinators
- Math Interventionists
- Increase Class Size

Possible additional 20 FTE's

FACTS:

Should the District end up on a Contingent Budget, reductions will go beyond these budget reduction items to reach the current year tax levy of \$71,496,354.

After two failed budgets, there is no choice in the matter – the Board **MUST** adopt a Contingent Budget.

What If Scenario - Prior Year's Tax Cap

Question: If the District set the tax levy in the 2022-23 & 2023-24 school-years at the Calculated Tax Levy Cap, how would that have impacted where we are now with the Proposed 2026-27 Budget?

Budget Year	Allowable Tax Levy Limit	Levy %	Actual Tax Levy Amount	Actual Levy %	Difference
2022-2023 Budget	69,343,982.00	7.76%	65,475,965.00	1.75%	3,868,017.00
2023/2024 Budget	68,517,277.00	3.23%	67,275,993.00	2.75%	1,241,284.00
2024/2025 Budget	69,094,953.00	2.66%	69,094,953.00	2.70%	-
2025/2026 Budget	71,496,354.00	3.40%	71,496,354.00	3.48%	-
Potential Loss of Additional Revenue:					5,109,301.00

Moral of the Story!



= growth over time



/ \$ = taxpayer impact

Missed Revenue Opportunity Over Time!

Answer:	
Description	Amount (\$)
2026-27 Proposed Budget Tax Levy	9,617,250
Additional Revenue (if cap fully utilized in 2022-23 & 2023-24)	5,109,301
Estimated 2026-27 Levy Increase Under Scenario	4,507,949

What This Means for Our Community

If Budget is Approved:

- Financial stabilization begins
- Predictable and responsible planning
- Protection of core programs

If Budget is Not Approved:

- Deeper reductions required
- Continued instability
- Increased future financial risk

If Budget and Transportation Proposition is approved:

- Financial stabilization, including resolution of prior-year deficits (2024–25 and 2025–26) through Special Act Legislation and a General Aid Advance
- Costs distributed over multiple years, allowing for a more manageable transition (“soft landing”)
- Predictable and responsible long-term fiscal plan
- Strengthened internal controls, budget monitoring, and financial accountability
- Protection of core programs
- A sustainable path forward—resolving multi-year deficits within a short timeframe and avoiding additional program or staffing reductions

Additional Fiscal Impact Illustration

Returning the budget back to the Tax Cap limit of 5.52% would require an additional \$5,670,874 in reductions from District programs and services.

Proposed Budget (With Transportation Proposition)	Tax Cap Budget (5.52% Cap)	Difference
\$55 / Month	\$18 / Month	\$37 / Month

Saving approximately \$37 per month would require removing another \$5.67 MILLION from student programs and services.

Illustration reflects estimated monthly school tax impact only based on an average assessed home value of \$2,600.

Path Forward Beyond 2026-27: Budget Strategies and Recommendations

- Evaluate a grade reconfiguration and possible closing a building
- Evaluate the renting or sale of a building to enhance future revenues
- Carefully evaluate both in-district and out-of-district special ed placements with an eye on bringing students back in-district to achieve cost savings
- Evaluate debt service going into the 2027-28 school year to possibly provide for necessary capital/Bond improvements which will drive up future building aid
- Carefully monitor student enrollment changes to make certain class sizes and staff ratios are reasonable
- With any program or staff additions – always ask these two questions:
 1. Do we have money budgeted to pay for this?
 2. Can we “sustain” this addition going forward?
- Stay diligent on the monthly monitoring – DO NOT ALLOW NEGATIVE ACCOUNT BALANCES!

In Closing.....Please Remember.....

The challenges identified by both the District and the OSC report are significant - **but they are not permanent!**

We have taken decisive action to correct past practices, implement strong financial controls, and build a budget that reflects the true cost of operating this district.

Our vision forward is grounded in discipline, transparency, and sustainability - ensuring that South Country CSD not only stabilizes financially, but emerges stronger, more accountable, and better positioned to serve our students for years to come.

SCHOOL BUDGET VOTE

TUESDAY, MAY 19, 2026 | 7 A.M. - 9 P.M.

Voter Qualifications

To be eligible to vote in school district elections a person must:

- Be at least 18 years of age
- Be a resident of the school district for at least 30 days prior to the date of the vote
- Be a citizen of the United States
- Be a registered voter with the school district or with the Suffolk County Board of Elections

Absentee and Early Mail Ballots

- Applications may be obtained at the District Office, 189 Dutton Ave., E. Patchogue, or via the District website at www.southcountry.org
- Ballots will be issued upon satisfactory completion of the application form
- All absentee and early mail ballots must be filed with the District Clerk by **5 p.m. on Tuesday, May 19, 2026**
- Contact the District Clerk at 631-730-1542 for additional information

**Location of the
Budget Vote:
Bellport Middle
School Auditorium**