



2026 Budget Message: Planning Today for Strong and Sustainable Tomorrow

My fellow residents,

As your Town Supervisor, I am proud to present the **2026 Tentative Budget**, a fiscally responsible plan that addresses our community's immediate needs while laying the groundwork for a strong and sustainable future. This Budget reflects our shared commitment to progress, investing in the priorities that strengthen our community today while preparing for the opportunities of tomorrow.

The annual Town Budget includes both the Operating and Capital Budgets. The Operating Budget provides funding for the expenses required to run the Town for the coming year. This includes salaries and benefits for our employees, and resources for each department such as police, public safety, highway, parks and beaches. It keeps our roads and other critical Town infrastructure safe and secure. It supports important Town programs such as our senior and youth services programs and maintains our vital IT infrastructure.

The Capital Budget funds long-term projects such as infrastructure maintenance, facilities enhancements, parks and recreation, and certain large periodic equipment acquisitions.

As Supervisor, it is my responsibility to create and to publish a Tentative Budget for the public and my colleagues on the Town Board, and to provide them with the opportunity to recommend changes before the Final Budget is adopted on or before November 20th.

The Town of Southampton's 2026 Budget includes several key initiatives aimed at addressing both immediate and long-term needs and reflects the Town's commitment to sustainable growth and improved public services.



OVERVIEW OF THE BUDGET

Prioritizing Public Safety

- The Budget strengthens our **police force** by adding **three new officers: one Lieutenant position, one Detective position and one Police Officer position**, and funds **one Detective promotion**, thereby enhancing patrol supervision and enabling us to respond effectively to the increasing demands for service, traffic enforcement, and sector coverage.
- The Budget provides for investment in **Townwide communication technology upgrades**, allocating \$1,150,000 for the purchase of radio and camera upgrades to improve coordination across Public Safety, Parks and Highway departments.

Sustaining and Expanding Essential Services

- Our community's growth necessitates that our programs and services evolve to meet new demands. The 2026 Budget **prioritizes the completion of ongoing projects and the repair of existing infrastructure**, ensuring the longevity and efficacy of our Town's assets.
- The Budget makes strategic investments in our **Parks Department**, including design planning for the replacement of the Tiana Beach Pavilion, improvements to the Hampton West Park, and the creation of a new park facility in Speonk, along with additional funding to complete the improvements at the East Quogue Village Green and at Iron Point Park
- The Budget invests in our **Highway Department** with funds to address vital **infrastructure needs** including the second and final phase of paving of Noyack Road, Townwide paving and bulkhead improvements, and additional funding to complete the replacement of the Baycrest Bulkhead.
- The Budget **adds nine (9) positions** in crucial departments such as **Police, Public Safety Dispatch (E-911), Land Management, Waste Management, Facilities Management and Central Garage**, ensuring we have the personnel to maintain and improve our Town's operations and services.

Smart Fiscal Planning for a Secure Future

- The 2026 Budget reflects a commitment to responsible, long-term fiscal planning. By **funding recurring operational expenses** through the Operating Budget rather than relying on borrowing, we are reducing future debt and interest payments, saving taxpayer dollars overall.



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- The Town is currently negotiating a new contract with the CSEA union that will likely impact the salary increases currently reflected in the Budget. These increases are necessary to address the challenge of **attracting and retaining qualified Town employees**, allowing the Town to continue to provide high quality services to our residents.

Financial Stability

- While we are committed to providing essential services, we also understand the importance of responsible taxation. The 2026 Tentative Budget sets the tax rate at 1.6494, which equates to an increase of \$117.94 for a home assessed at \$1,000,000.00. This increase of 7.70% in the tax rate allows us to keep pace with rising costs, particularly in employee health insurance and pension obligations, while maintaining the high level of service our residents deserve.
- In 2024, the Town earned the highest credit rating (AAA) from Standard & Poor's, as set forth in its investor report dated September 19, 2024. That was a testament to the Town's strong fiscal management, ample reserves, manageable debt and conservative budgeting practices. This year, the Town Comptroller, Deputy Comptroller and I met with the analyst at Moody's on September 24, 2025. We expect to receive the official investor report next week and anticipate receiving a (Aaa) bond rating from Moody's for 2025.

A MORE DETAILED LOOK

Budgets for entities as sizable as the Town of Southampton are intricate and comprehensive, detailing all sources of revenue and expenditure. Some of these specifics have been broadly referenced above. The subsequent sections of this Budget Message will furnish further details.



Prioritizing Public Safety

The 2026 Tentative Operating Budget strengthens our police force by adding three (3) new officers: one Lieutenant position, one Detective position and one Police Officer position, and funds one Detective promotion. This additional staffing will allow for increased supervision, a vital component of effective policing. This will further allow the Police Chief to address the increasing demand in calls for service, increased traffic enforcement, and additional sector coverage.

The Budget further provides for the replacement of police vehicles, the purchase of two all-terrain vehicles for access to wooded areas, a tactical vehicle for the safety of our officers in high risk encounter situations, and a personal watercraft for the Bay Constables for additional enforcement, as well as new software to aid in the department's efforts to address traffic management.

Providing public safety, of course, is not limited to the Police Department. Code Enforcement, Highway, Lifeguards, Fire Marshals, Animal Control and other Town departments contribute to the effort to provide public safety. These departments must coordinate their efforts and be able to rely on effective communications.

The 2026 Capital Budget provides funding to improve communications technology by including \$1,150,000.00 to fund Townwide radio communication and camera upgrades across Public Safety, Parks and Highway. These measures will improve coordination and ensure seamless and reliable communication.

Sustaining and Expanding Essential Services

As the Town's needs continue to grow, it is imperative that the Town's programs, services and facilities meet those new demands. In addition to funding new projects, this Capital Budget provides funds to complete ongoing projects and to repair existing infrastructure. To that end, the Budget includes strategic funding for the following projects:

- For the Parks Department: To create the design planning for the replacement of the Tiana Beach Pavilion in Hampton Bays, to improve the Hampton West Park in Westhampton, to create a new park facility at 178 Old Country Road in Speonk, and additional funding to complete the improvements at the Village Green in East Quogue and at Iron Point Park in Flanders.
- For the Municipal Works/Facilities Management Department: To replace windows and siding at the Long Pond Greenbelt Nature Center in Bridgehampton, to improve the Fire Training Facility in Hampton Bays, to improve the Police Department's shooting range in Westhampton, to provide HVAC improvements for the Justice Court and Parks and



Recreation Department buildings in Hampton Bays, to install solar panels at the David W. Crohan Community Center in Flanders, and to create safety improvements for the lobby of the Building Department.

- For the Highway Department: To address vital infrastructure needs including the allocation of \$3 million for Townwide paving and bulkhead improvements, to complete the second and final phase of the Noyack Road paving, and additional funding to complete the replacement of the Baycrest Bulkhead.
- For the Hampton Bays Water District: To make Districtwide distribution improvements, to continue with the replacement of water meters, to upgrade the fueling station, to replace the office generator, and to partially fund the rehabilitation of Plant No. 2, the installation of a new well No. 6 and Plant No. 1 Granular Activated Carbon (GAC) changeout.
- For the Information Technology (IT) Department: To provide Network Infrastructure upgrades and for mobile data terminals for the Bay Constables.

To sustain the necessary levels of services, programs, and facilities in our communities, the 2026 Tentative Budget adds 9 positions for various departments. In addition to those previously referenced for the Police Department, the new positions are: two (2) Sanitation Helpers in Waste Management, one (1) Senior Office Assistant for Central Garage, one (1) Public Safety Dispatcher II, one (1) Custodial Worker 1 in Facilities Management, and one (1) Office Assistant in Land Management.

The Town is currently negotiating a new contract with the CSEA union that will likely impact the salary increases currently reflected in the Budget. These increases are necessary to address the challenge of retaining current employees and hiring new employees, and will allow the Town to continue to provide high quality services to our residents.

Smart Fiscal Planning for a Secure Future

Rather than bonding for certain recurring operational expenses each year to be repaid with interest, this Budget reflects annual funding within the Operating Budget to pay for such recurring expenses. For example, the annual purchase of police vehicles in the amount of \$748,000 will be paid from the Operating Budget. Equipment in need of annual replacement for the Municipal Works department is included in the Operating Budget. For the Highway Department, the annual costs for Townwide drainage and culvert repairs, certain equipment purchases, and \$1.25 million of the road paving costs will be funded by the Operating Budget. This approach reduces future borrowing needs.



Financial Stability

While we are committed to providing essential services, we also understand the importance of responsible taxation. The 2026 Tentative Budget sets the tax rate at 1.6494, which equates to an increase of \$117.94 for a home assessed at \$1,000,000.00. This increase of 7.70% in the tax rate allows us to keep pace with rising costs, particularly in employee health insurance, pension obligations, workers compensation insurance, materials and equipment, while maintaining the high level of service our residents deserve.

The ability to employ qualified individuals to keep the Town's many departments operational, and to fund infrastructure maintenance and upgrades and other operating expenses comes at a cost. For example, the increases in employee health insurance, pension obligations and workers compensation insurance expenses necessary to meet increased costs are included in the Budget as set forth below:

- Health insurance increase - 6%
- Workers Compensation insurance increase - 10%
- Increase in retirement contribution - 10%.

The Town is in a better position than ever to earn the **highest credit rating (Aaa) from Moody's**. The Town Comptroller, Deputy Comptroller and I met with the analyst from Moody's on September 24, 2025, and we expect to receive the official investor report next week.

In 2024, the Town earned the highest credit rating (AAA) from Standard & Poor's, as set forth in its investor report dated September 19, 2024. That was a testament to the Town's strong fiscal management, ample reserves, manageable debt, and conservative budgeting practices.

The rating not only affirmed the budgeting strategies utilized by the Town but also allowed the Town to borrow at a low interest rate and to develop strategies for retiring debt. In 2025 we continued to conservatively manage the budget, maintain a manageable debt burden along with ample reserves and liquidity. We continue to enjoy a resilient and growing local economy with a large and stable tax base. For these reasons, we anticipate maintaining our superior bond rating with Moody's for 2025.



NEXT STEPS IN THE PROCESS

This Budget Message is an overview highlighting the core elements of the 2026 Budget, which is a very detailed and complex document. The entire Tentative Budget is available online for public review. The Town Board will discuss the Tentative Budget at a work session on October 16, 2025. The Tentative Budget will then be converted to a Preliminary Budget at a special meeting on the same day. Public hearings have been scheduled for October 28th and November 12th on the Preliminary Budget. The Town Board will adopt the Final Budget on or before November 20th.

The 2026 Budget is the result of a collaborative effort, incorporating input from the Comptroller's office, Town staff, and Department Heads. It is an honor to work alongside these dedicated men and women as we serve our community.

Thank you to you, the residents of Southampton. Your voices matter, and I encourage you to review the detailed Tentative Budget document available online and participate in the upcoming public hearings. Together, we are shaping a future rooted in opportunity, sustainability, and respect for the needs of every resident.

Sincerely,

Maria Z. Moore
Supervisor, Town of Southampton

Dated: September 30, 2025