

2026-2027 BUDGET DEVELOPMENT

BUDGET PLANNING SESSION #4: BUDGET OVERVIEW

Presentation to the Board of Education: March 11, 2026

Mr. Michael Fabiano, Assistant Superintendent for Business and Finance



Mr. Fabiano and central administration spend time with Salk students to sample cafeteria offerings this year.

Purpose Statement:

To work with the Board of Education & District Administration to develop a responsible and efficient budget that maintains existing programs, safeguards District assets, supports a safe and healthy learning environment, and ensures Success for Every Student while remaining within the Tax Levy Limit.

LEVITTOWN PUBLIC SCHOOLS BUDGET DEVELOPMENT PROCESS

NOV/DEC '25



Internal development of budget, including administrative meetings, salary projections, and determination of other contractual obligations

JANUARY '26



January 7:
26-27 Budget Process presentation

- January 21:
- First Budget presented to the Board
 - Transportation Presentation

FEBRUARY '26



February 4:
• Second Budget
• Curriculum & Instruction and Facilities presentations

- February 25:
- State Aid
 - Reserves
 - Fund Balance

MARCH '26



March 11:
• Third Budget
• Special Education presentation and PTA Advisory presentation

- March 25
- Staffing and Enrollment presentation
 - Budget Adoption

APRIL/MAY '26



April 22:
BOCES Budget Vote

May 6:
Public Budget Hearing

May 19:
Budget Vote



Tonight's Agenda

- Review of 2026-27 Reserve Funds Annual Report for Adoption on March 25, 2026
- Review of the 2026-27 5-Year Capital Projects Plan for Adoption on March 25, 2026
- Review of the 5-Year Long-Term Forecast
- Update on Tax Levy Limit and Proposed Tax Levy
- Review of use of Appropriated Fund Balance use to Balance the 2026-27 General Fund Budget
- Review of Fund Balance Projection and the Recommendation to propose a \$15M Capital Reserve Expenditure Referendum



Reserve Funds Annual Report

- Required by Board of Education Policy #5512
- Updated to include “Optimal” funding levels
- Total amount and date of each withdrawal from the reserve
- Projected needs for the reserve funds in the upcoming fiscal year
- Recommended amount for use of each reserve in balancing the 2026-27 Budget to be adopted by the Board of Education at the March 25, 2026 meeting



2026-27 5-Year Capital Projects Plan

- Based on Building Conditions Survey prepared by the District Architect
- Updated annually to reflect the removal of projects that are underway along with the addition of the District's changing needs
- Reflects recommendations of the Superintendent of Schools, the Board of Education, the Facilities Director, and the Building Administrators
- 2026-27 5-Year Capital Projects Plan to be adopted by the Board of Education at the March 25, 2026 meeting



5-Year Long Term Forecast

- District Appropriation Budgets are Adopted annually by the Voters of the District in May for the upcoming school year
- Recommended that the District also prepare a multi-year budget to help guide the District's Use of Reserves and Appropriated Fund Balance
- The models that are built are only as reliable as the assumptions that go into the equations
- Like the 5-Year Capital Facilities Plan the 5-Year Long Term Forecast is updated annually



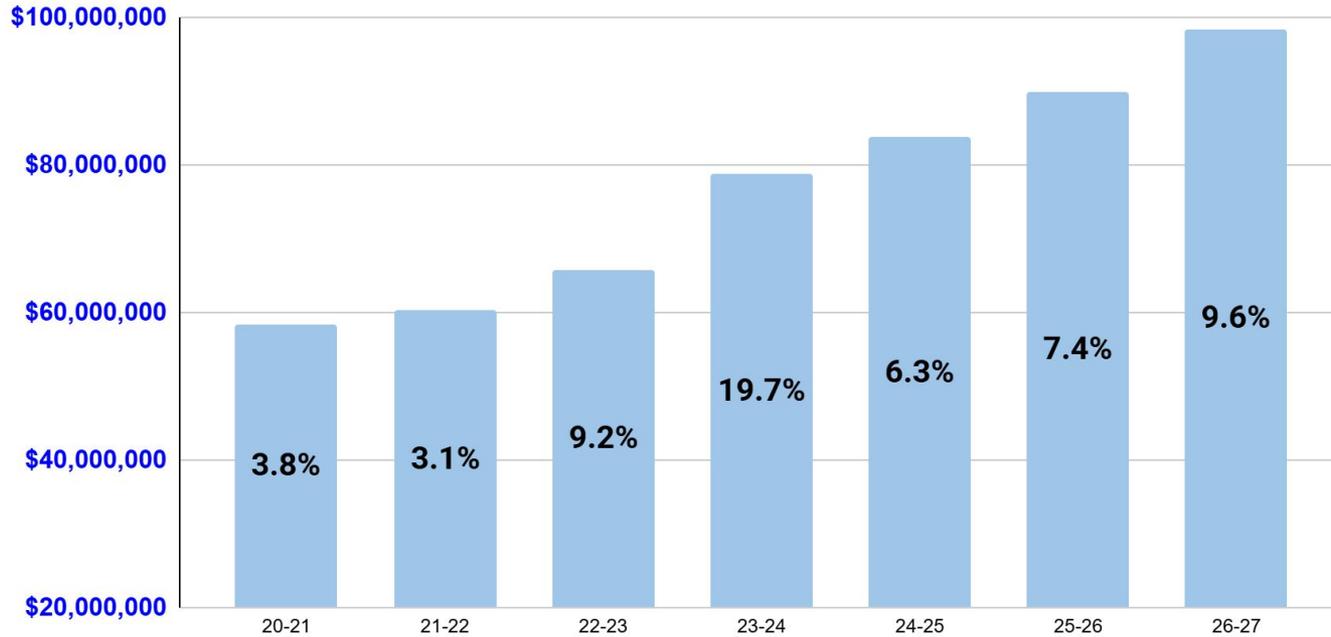
5-Year Long Range Forecast

Base Case Scenario: All Categories Growing at a 2% Rate of Inflation

Category	2026-27 Budget	Growth Factor	2027-28 Projection	2028-29 Projection	2029-30 Projection	2030-31 Projection	2031-32 Projection
Revenues							
Tax Levy and STAR Reimbursement	166,719,460	2.0%	170,053,849	173,454,926	176,924,025	180,462,505	184,071,755
State Aid including Foundation Aid	98,566,816	2.0%	100,538,152	102,548,915	104,599,894	106,691,892	108,825,729
Other Local Revenue	8,548,905	2.0%	8,719,883	8,894,281	9,072,166	9,253,610	9,438,682
Appropriated Fund Balance use of Reserves	12,010,000	0.0%	12,010,000	12,010,000	12,010,000	12,010,000	12,010,000
Total Revenues	285,845,181		291,321,885	296,908,122	302,606,085	308,418,006	314,346,167
Appropriations							
Salaries	147,086,954	2.0%	150,028,693	153,029,267	156,089,852	159,211,649	162,395,882
Employee Benefits	79,522,000	2.0%	81,112,440	82,734,689	84,389,383	86,077,170	87,798,714
All Other Expenses	59,236,227	2.0%	60,420,952	61,629,371	62,861,958	64,119,198	65,401,582
Total Appropriations	285,845,181		291,562,085	297,393,327	303,341,193	309,408,017	315,596,177
Analysis							
Annual Surplus or (Deficit)	(0)		(240,200)	(485,204)	(735,108)	(990,011)	(1,250,011)
Cummulative Surplus or Deficit	(0)		(240,200)	(725,405)	(1,460,513)	(2,450,523)	(3,700,534)



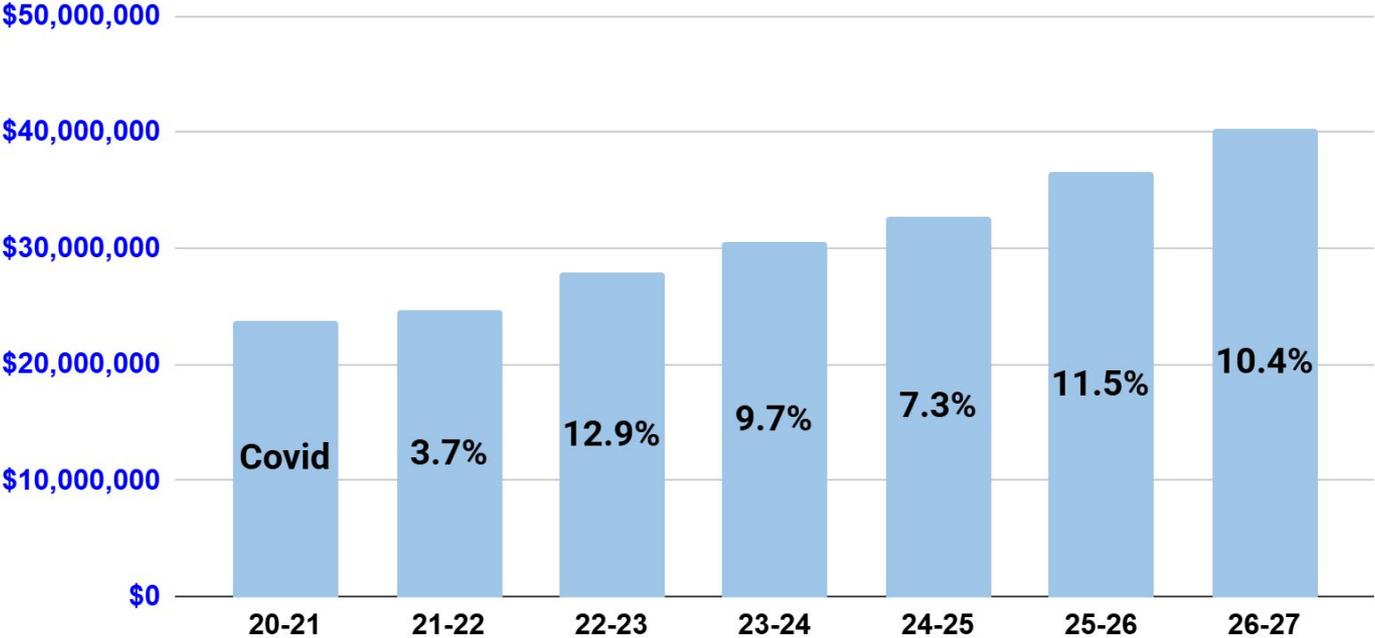
Historic State Aid Trend



Five Year Average = 10.4%



Historic Health Insurance Expense Trend



Five Year Average = 10.3%



Scenario II: State Aid and Health Insurance Growing at 5-year Averages

Category	2026-27 Budget	Growth Factor	2027-28 Projection	2028-29 Projection	2029-30 Projection	2030-31 Projection	2031-32 Projection
Revenues							
Tax Levy and STAR Reimbursement	166,719,460	2.0%	170,053,849	173,454,926	176,924,025	180,462,505	184,071,755
State Aid including Foundation Aid	98,566,816	10.4%	108,817,765	120,134,812	132,628,833	146,422,232	161,650,144
Other Local Revenue	8,548,905	2.0%	8,719,883	8,894,281	9,072,166	9,253,610	9,438,682
Appropriated Fund Balance use of Reserves	12,010,000	0.0%	12,010,000	12,010,000	12,010,000	12,010,000	12,010,000
Total Revenues	285,845,181		299,601,497	314,494,019	330,635,024	348,148,346	367,170,581
Appropriations							
Salaries	147,086,954	2.0%	150,028,693	153,029,267	156,089,852	159,211,649	162,395,882
Employee Benefits	79,522,000	10.3%	87,712,766	96,747,181	106,712,141	117,703,491	129,826,951
All Other Expenses	59,236,227	2.0%	60,420,952	61,629,371	62,861,958	64,119,198	65,401,582
Total Appropriations	285,845,181		298,162,411	311,405,819	325,663,951	341,034,338	357,624,414
Analysis							
Annual Surplus or (Deficit)	(0)		1,439,086	3,088,201	4,971,073	7,114,009	9,546,167
Cummulative Surplus or Deficit	(0)		1,439,086	4,527,287	9,498,360	16,612,368	26,158,535



Tax Levy Limit and Proposed Tax Levy

Tax Levy Limit



The District's 2026-27
Tax Levy Limit is

2.59%

Proposed Tax Levy



The District is Proposing
a Tax Levy of

<2%



Levittown UFSD 26-27 Budget Snapshot

Comparison with Nassau County

As of March 6, 2026	Proposed Tax Levy
Nassau County	2.41%
Levittown UFSD	1.98%**

Main Budget Drivers

Armed Security
 Transportation
 Special Education
 Health Insurance

Budget to Budget Change

2025-26: \$274,346,775

2026-27: \$286,714,117

Year-to-Year Change:

\$12,367,343 or 4.51%

- No Class Size Increase
- Grade 8 Career Exploration Class
- Additional Elementary Instructional Coach
- Middle School Flag Football
- Instructional Space Updates including Art, Family & Consumer Science, & Technology
- Elementary Librarian
- New High School Elective Courses



Levittown UFSD 26-27 Budget Snapshot

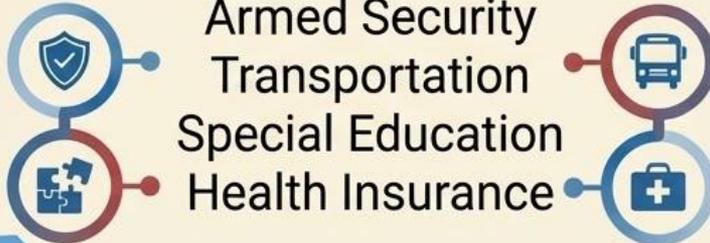
Comparison with Nassau County

 As of March 6, 2026	Proposed Tax Levy
Nassau County	2.41%
Levittown UFSD	1.98%**

Budget to Budget Change

 2025-26: \$274,346,775
 2026-27: \$286,714,117
 Year-to-Year Change:
 \$12,367,343 or **4.51%**

Main Budget Drivers



Budget Additions & Highlights



Budget Additions & Highlights



No Class Size Increase

Maintaining favorable student-to-teacher ratios.



Grade 8 Career Exploration Class

New course to guide future paths.



Additional Elementary Instructional Coach

Supporting teacher development and student success.



Middle School Flag Football

New athletic opportunity for students.



Instructional Space Updates

Including Art, Family & Consumer Science, & Technology



Elementary Librarian

Enhancing library resources and literacy.

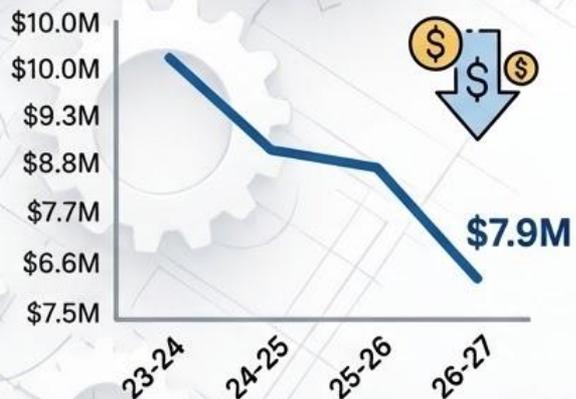


New High School Elective Courses

Expanding academic choices and pathways.

Appropriated Fund Balance

Historic Trend of AFB



- **Proposed decrease** for 2026-27 of \$1.4M in AFB from \$9.3M to \$7.9M.

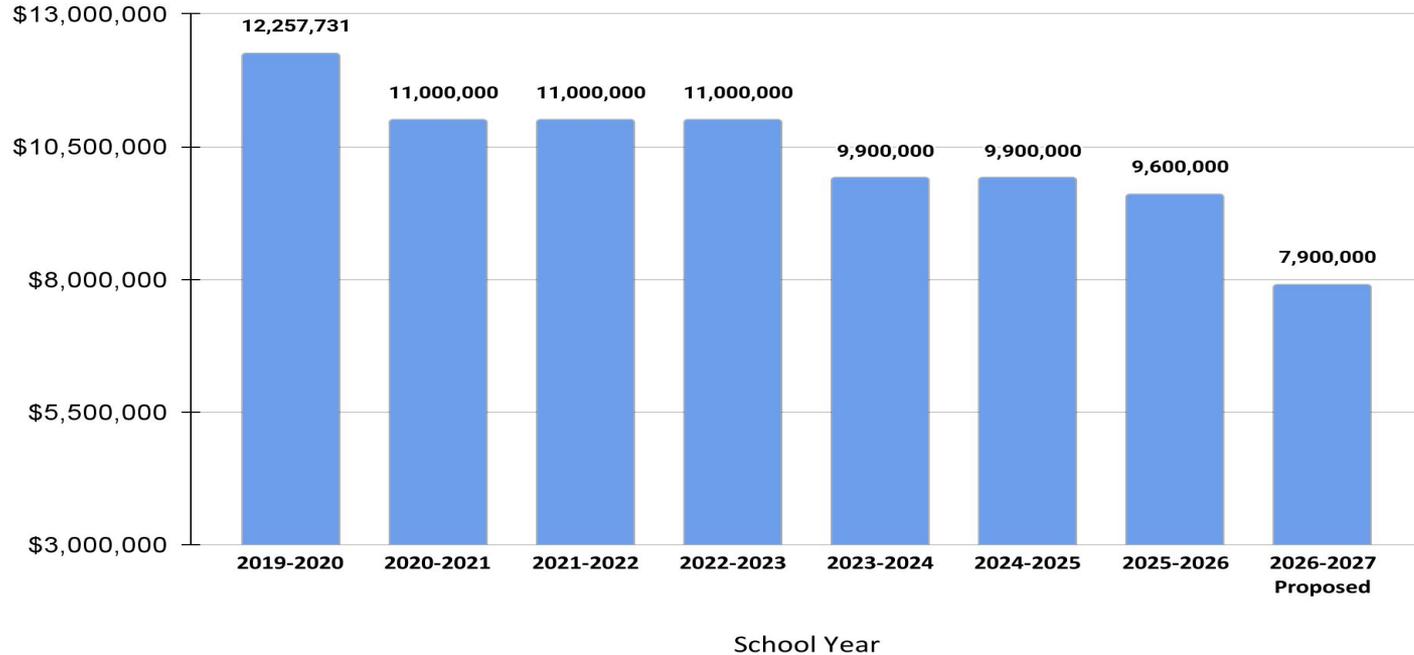


- The \$1.4M reduction will be appropriated as part of the May 19, 2026 **\$15M Capital Reserve Expenditure Proposition**.

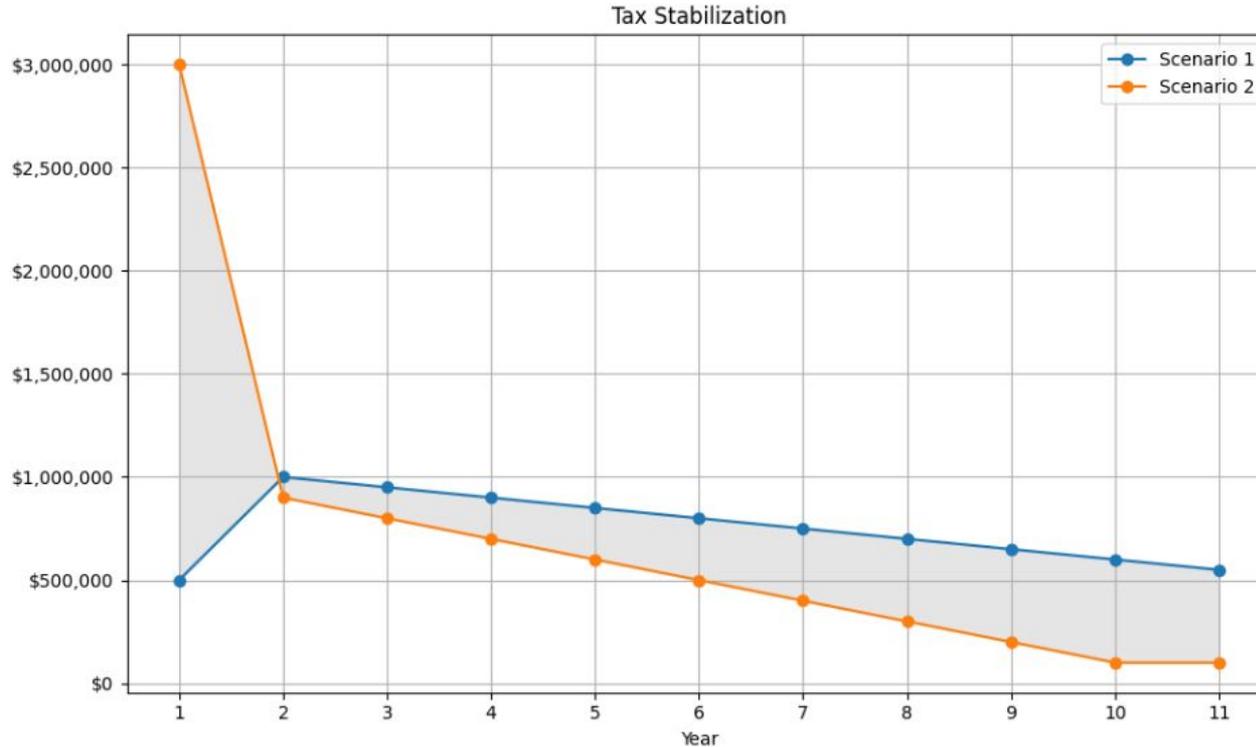


March 25, 2026, Board Adoption of the Use of Reserves and AFB in the Proposed 2026-27 Budget along with **General Fund Appropriations.**

Appropriated Fund Balance Trend

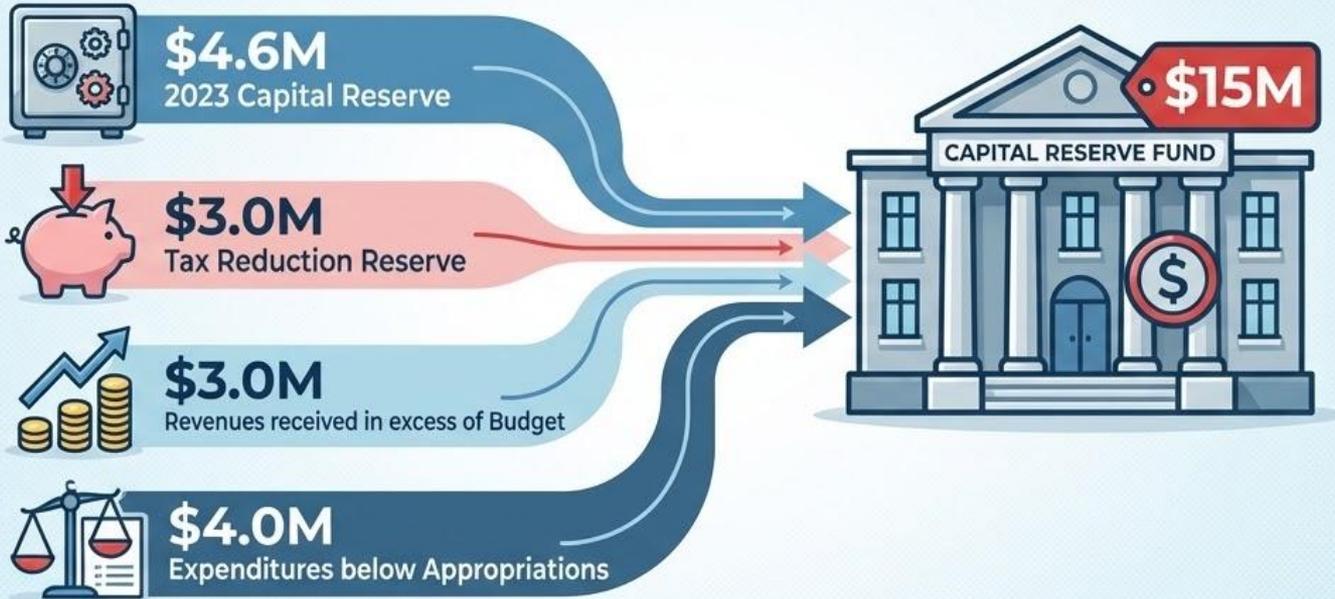


Use of the Tax Stabilization Reserve



Fund Balance Projection and Capital Reserve Proposition

Proposed **\$15M** Capital Reserve Expenditure Proposition for May 19th Ballot



**Levittown Public Schools
2026-27 Budget Development
Changes between Draft Budgets**

2025-26 Voter Approved Budget		274,346,775
2025-26 1st Draft Presented January 21, 2025		290,290,989
Budget-to-Budget Percent Increase		5.81%
2025-26 2nd Draft Presented January 24, 2024		289,342,830
Budget-to-Budget Percent Increase		5.47%
2025-26 3rd Draft Presented March 11, 2024		286,714,117
Budget-to-Budget Percent Increase		4.51%
Cummulative Budget Reduction from 1st Draft	↓	3,576,872
Remaining Budgetary Surplus / (Deficit)		(868,936)



**NEXT BUDGET UPDATE
AND BUDGET ADOPTION:**

MARCH 25, 2026



Revenues: Governor's Proposed Budget

	2025-26	2026-27		
	Legislative	Executive	Dollar	Percent
	Adopted Budget	Proposed Budget	Variance	Change
Foundation Aid	65,897,311	72,243,634	6,346,323	9.63%
Universal Pre-Kindergarten	1,999,203	3,400,000	1,400,797	70.07%
BOCES	5,773,926	6,647,517	873,591	15.13%
High Cost Excess Cost	2,517,042	2,282,947	(234,095)	-9.30%
Private Excess Cost	1,651,075	1,640,875	(10,200)	-0.62%
Hardware and Technology	120,233	130,098	9,865	8.20%
Software, Library, Textbook	585,092	605,688	20,596	3.52%
Transportation Including Summer	6,716,329	8,172,048	1,455,719	21.67%
Building and Building Reorg Incentive	2,084,788	2,224,593	139,805	6.71%
High Tax Aid	4,406,095	4,406,095	0	0.00%
Supplemental Public Excess Cost	208,322	208,322	0	0.00%
Grand Totals	91,959,416	101,961,817	10,002,401	10.88%



Tonight's Agenda

Reserve Funds Annual Report

For Adoption on March 25, 2026



5-Year Capital Projects Plan

For Adoption on March 25, 2026

5-Year Long-Term Forecast

Review & Analysis



Tax Levy Limit & Proposed Tax Levy

Update

Appropriated Fund Balance Use

To Balance 2026-27
General Fund Budget



Fund Balance Projection & \$15M Capital Reserve Referendum

Recommendation to Propose



Reserve Funds Annual Report



Policy Compliance

Required by Board of Education Policy #5512



Optimal Funding Levels

Updated to include 'Optimal' funding scenarios



Withdrawal History

Total amount & date of each withdrawal



Projected Future Needs

Anticipated requirements for upcoming fiscal year



Budget Recommendation

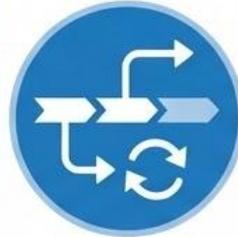
Recommended use to balance 2026-27 Budget. For Adoption: March 25, 2026

2026-27 5-Year Capital Projects Plan



Foundation in Survey Data

Based of Building Conditions Survey prepared by the District Architect



Dynamic & Annual Updates

Updated annually to reflect the removal of projects that are underway along with the addition of the District's changing needs



Collaborative Input

Reflects recommendations of the Superintendent of Schools, the Board of Education, the Facilities Director, and the Building Administrators



Scheduled Adoption

2026-27 5-Year Capital Projects Plan to be adopted by the Board of Education at the March 25, 2026 meeting



Revenues

Tax Levy Limit Calculation



Proposed Tax Levy TBD



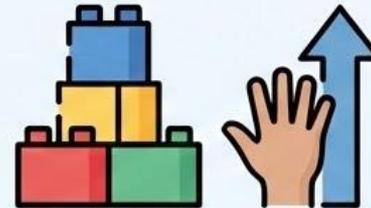
Effort to keep it under 2%

Executive Budget State Aid Package



For School Districts

Proposed Increase in Pre-Kindergarten Funding

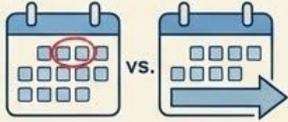


Fund Balance projection and Capital Reserve Proposition

- The District is proposing a \$15M Capital Reserve Expenditure Proposition for the May 19th Ballot
- Funding for this proposition will come from the following sources:
 - \$4.6M from the 2023 Capital Reserve
 - \$3.0M from the Tax Reduction Reserve
 - \$3.0M from Revenues received in excess of Budget
 - \$4.0M from Expenditures below Appropriations



5-Year Long Term Forecast



Annual vs. Multi-Year Budgeting

District Appropriation Budgets are Adopted annually by the Voters... school year

Recommended that the District also prepare a multi-year budget



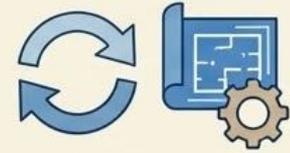
Guiding Financial Decisions

...to help guide the District's Use of Reserves and Appropriated Fund Balance



Reliability of Assumptions

The models that are built are only as reliable as the assumptions that go into the equations.



Annual Updates

Like the 5-Year Capital Facilities Plan, the 5-Year Long Term Forecast is updated annually.

NYSOSC Exit Conference Findings



AUDIT PERIOD (6 SCHOOL YEARS)



Audit covered the period **July 1, 2019**
through **June 30, 2025**.

July 1, 2019 → June 30, 2025



TIMELINE & REPORTING

**Field Work
Began**
(Oct 2024)

**Initial Draft
Expected**
(Sep 2026)

**Final
Publication**
(3-6 months later
- 2027?)



A CLEAN AUDIT

Audit was **comprehensive** and the exit conference discussion was **free from** any control deficiencies, accounting discrepancies, or other noncompliance issues.



Appropriated Fund Balance

- Review of the historic trend of Appropriated Fund Balance (AFB)
- Proposed decrease for 2026-27 of \$1.4M in AFB from \$9.3M to \$7.9M
- The \$1.4M reduction will be appropriated as part of the May 19, 2026 **\$15M Capital Reserve Expenditure** Proposition
- March 25, 2026, Board Adoption of the Use of Reserves and AFB in the Proposed 2026-27 Budget along with **General Fund Appropriations**



NYSOSC Exit Conference Findings



AUDIT REPORT FOCUS

Audit Report will focus on the **budgetary** surpluses generated over this 6-year period.

DISTRICT'S CONSERVATIVE FISCAL DEFENSE



1. Pandemic Grants (Nonrecurring)

A large portion of the surpluses were generated in the **early years** from the pandemic grants.



2. Voter Approved Capital Projects

The surpluses were transferred to voter approved **Capital Reserves** which allowed the District to finance over **\$140M** in **building** infrastructure and athletic facilities projects.



3. Interest Savings & Debt-Free Future

Financing these projects without additional debt ultimately saved the taxpayers **nearly \$30M** in interest payments, and just a few months from today the District will be free from general obligation debt – no Bonds outstanding!



ASBO New York Advocacy Day in Albany

- **Foundation Aid:** approximately two-thirds of school districts across the State will receive the minimum proposed increase of 1%, no new recommendations from the Rockefeller Institute Study were incorporated into the Governor's proposed budget.
- **Universal Pre-K:** Governor proposed to consolidate existing UPK funding and increase per pupil funding to \$10,000 per year, but would also mandate districts to provide full day pre-k to all families that request it by the 2028-29 school year. Construction costs to expand UPK space within a district would still not be eligible for building aid.

ASBO New York Advocacy Day in Albany

- **Zero-Emission Bus Transition:** provisions have been made to extend the purchase deadline from 2027 to 2029 and possibly 2031 but as of now no extension has been proposed to the 2035 deadline.
- **Support Local Efficiencies:** extend the current “piggyback” contract authorization for 5 additional years to 2031, reject the requirement that Nassau and Suffolk schools use a Project Labor Agreements, this requirement is not the same across the State.