

2026-2027 BUDGET DEVELOPMENT

BUDGET PLANNING SESSION #5: BUDGET ADOPTION

Presentation to the Board of Education: March 25, 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



Final Review and Adoption of the 2026-27 Reserve Funds Annual Report and the 5-Year Long Term Forecast



Final Review and Adoption of the 2026-27 5-Year Capital Projects Plan



Update on the Tax Levy Limit and the Proposed Tax Levy



Final Review and Adoption of the 2026-27 General Fund Appropriations Budget Proposition I



Final Review and Adoption of a \$15M Capital Reserve Expenditure Referendum.
NO Increase to the Tax Levy
Proposition II



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 Budget Application of Reserve Funds

Levittown Union Free School District 2026-27 Budget Development Use of Reserves and Appropriated Fund Balance

	<u>2025-26</u>	<u>2026-27</u>	<u>Change</u>
Workers Compensation	250,000	250,000	0
Unemployment Insurance	50,000	50,000	0
TRS Retirement System	300,000	400,000	100,000
ERS Retirement System	2,610,000	2,700,000	90,000
Tax Reduction Reserve *	0	900,000	900,000
Total Allocated Reserves	3,210,000	4,300,000	1,090,000
Appropriated Fund Balance	9,600,000	7,900,000	(1,700,000)

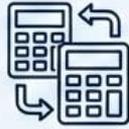
* Funded with the proceeds of the sale of Seaman Neck School Building to Nassau BOCES



5-Year Long Term Forecast



OSC Recommendation:
Multi-year financial forecast guides Reserves & Appropriated Fund Balance use.



Model Reliability:
Dependent on assumptions. Variables (interest rates, State Aid growth, inflation) have dramatic impact.



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



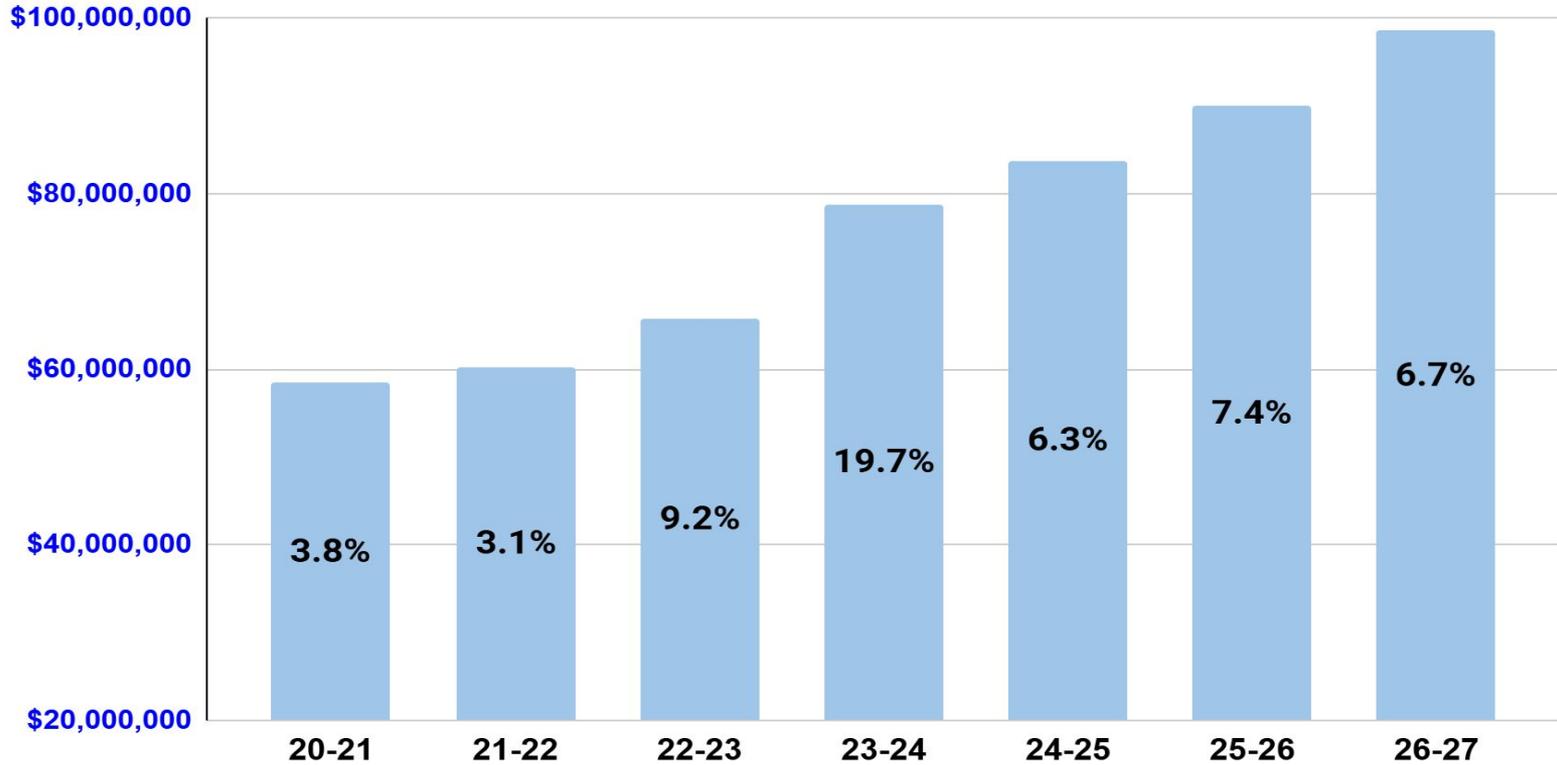
Revised Projections:
Updated using latest State Aid projections.

Revenues: Governor's Proposed Budget

	2025-26	2026-27		
	Legislative	Executive	Dollar	Percent
	Adopted Budget	Proposed Budget	Variance	Change
Foundation Aid	65,897,311	69,714,512	3,817,201	5.79%
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	1,608,905	(42,170)	-2.55%
Hardware and Technology	120,233	124,112	3,879	3.23%
Software, Library, Textbook	585,092	580,270	(4,822)	-0.82%
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	89,960,213	95,969,321	6,009,108	6.68%



Historic Foundation Aid Trend

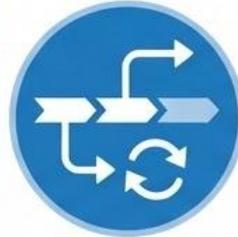


2026-27 5-Year Capital Projects Plan



Foundation in Survey Data

Based on 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



Levittown Union Free School District

2026-27 Capital Projects Fund

Capital Projects Available Balance at March 2026			22,800,000
Less:			
Code Compliance Contingency	(4,000,000)		
Baseball and Softball Turf Fields at both High Schools	(14,000,000)		(18,000,000)
Uncommitted balance			4,800,000
2026-27 Proposition II - Authorization to Expend			
2023 Capital Reserve & Undesignated Fund Balance			15,000,000
Uncommitted balance if Proposition II is Approved by the Voters			19,800,000
Priority Projects			
Additional Practice Spaces at both High Schools	2,400,000		
Reconstruction FACS rooms at both Middle Schools	1,500,000		
Handicapped Accessible Restrooms at both High School Athletic Fields	1,600,000		(5,500,000)
2026-27 Capital Projects Fund Projected Balance			14,300,000



Tax Levy Limit and the Proposed Tax Levy

2.18%

Tax Levy Limit
(2026-27)



1.98%

Proposed Tax Levy
(2026-27)



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.

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

2025-26 Voter Approved Budget		274,346,775
2026-27 1st Draft Presented January 21, 2026		290,290,989
Budget-to-Budget Percent Increase		5.81%
2026-27 2nd Draft Presented January 24, 2026		289,342,830
Budget-to-Budget Percent Increase		5.47%
2026-27 3rd Draft Presented March 11, 2026		286,714,117
Budget-to-Budget Percent Increase		4.51%
2026-27 FINAL Draft Presented March 25, 2026		284,420,293
Budget-to-Budget Percent Increase		3.67%
Cummulative Budget Reduction from 1st Draft		5,870,696
Remaining Budgetary Surplus / (Deficit)		-



2026-27 Summary of Changes from Previous Iteration



Elimination of the purchase of a Coach Bus \$275,000, with a corresponding decrease in the Tax Levy Limit



Reduction of the Transfer to Capital Appropriation from \$2.0M to \$1.6M, with a corresponding decrease in the Tax Levy Limit



Reduction of \$400,000 in the districtwide electricity appropriation resulting from the Solar Array connections to the LIPA grid



Reduction in salaries as a result of the early retirement incentive



Increase in interest earnings from \$2.1M to \$2.3M

Levittown UFSD 2026-27 Budget Snapshot

Comparison with Nassau County

As of March 6, 2026 (OSC database)	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

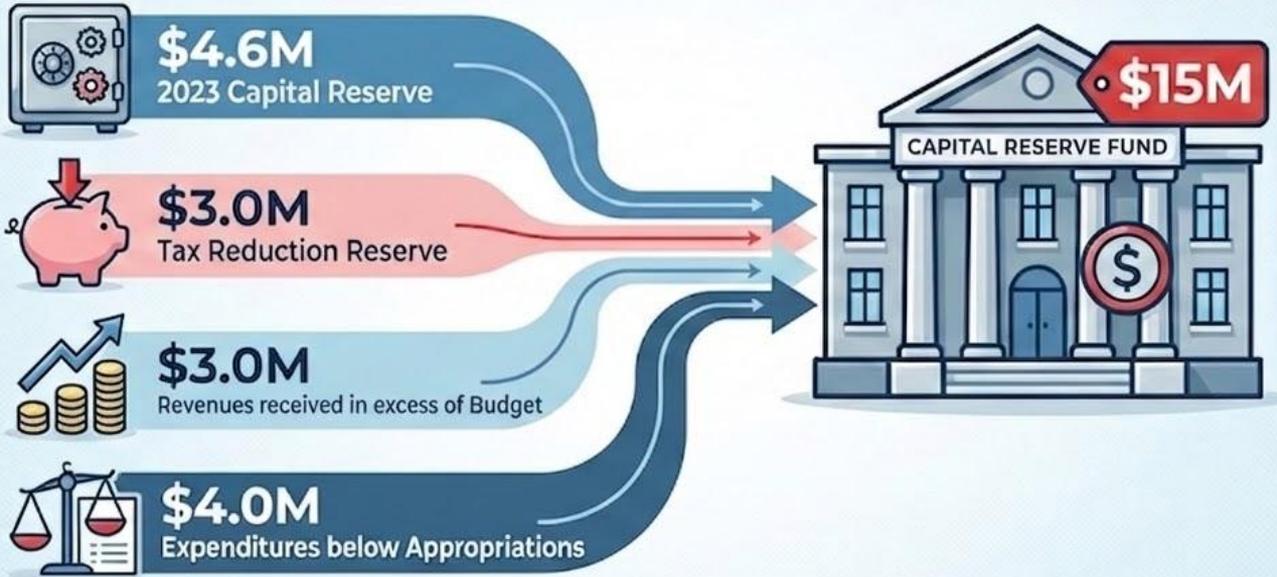
2025-26: \$274,120,957
2026-27: \$284,420,293
Year-to-Year Change:
\$10,073,518 or 3.67%

Significantly Lower than County Average!



With No Additional Increase in the Tax Levy

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



**NEXT BUDGET UPDATE:
BUDGET HEARING
MAY 6, 2026**



5-Year Long Range Forecast

Scenario III: State Aid growth at 6.7% (2026-27 Governor's Proposed) & Health Insurance Growing at 5-year Averages

<u>Category</u>	<u>2026-27 Budget</u>	<u>Growth Factor</u>	<u>2027-28 Projection</u>	<u>2028-29 Projection</u>	<u>2029-30 Projection</u>	<u>2030-31 Projection</u>	<u>2031-32 Projection</u>
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	6.7%	105,170,793	112,217,236	119,735,791	127,758,089	136,317,880
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		295,954,525	306,576,443	317,741,982	329,484,203	341,838,318
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)		(2,207,886)	(4,829,376)	(7,921,969)	(11,550,134)	(15,786,097)
Cummulative Surplus or Deficit	(0)		(2,207,886)	(7,037,262)	(14,959,231)	(26,509,366)	(42,295,462)



Tonight's Agenda

- Final Review and Adoption of the 2026-27 Reserve Funds Annual Report and the 5-Year Long Term Forecast
- Final Review and Adoption of the 2026-27 5-Year Capital Projects Plan
- Update on the Tax Levy Limit and the Proposed Tax Levy
- Final Review and Adoption of the 2026-27 General Fund Appropriations Budget
 - Proposition I
- Final Review and Adoption of a \$15M Capital Reserve Expenditure Referendum
 - NO Increase to the Tax Levy
 - Proposition II



5-Year Long Term Forecast

- The New York Office of the State Comptroller (OSC) recommends that school districts also prepare a multi-year financial forecast 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. Variables such as interest rates, growth in State Aid and inflation can have a dramatic impact on the results.
- Like the 5-Year Capital Facilities Plan the 5-Year Long Term Forecast is updated annually.
- Updated using revised State Aid projections



2026-27 Summary of Changes from Previous Iteration

- Elimination of the purchase of a Coach Bus \$275,000, with a corresponding decrease in the Tax Levy Limit
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- Increase in interest earnings from \$2.1M to \$2.3M



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Main Budget Drivers

Armed Security
Transportation
Special Education
Health Insurance

Budget to Budget Change

2025-26: \$274,120,957

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Year-to-Year Change:

\$10,073,518 or 3.67%



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 and priorities
- 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



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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

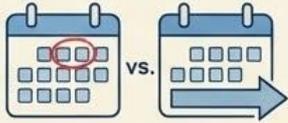


Fund Balance projection and Capital Reserve Proposition

- 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



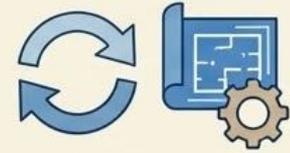
Guiding Financial Decisions

...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**



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



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.