

Budget Process Explained



Investing in Our Students, Strengthening Our Future

March 2025

Highland Falls - Fort Montgomery CSD



BOE Members:

- Anne Lawless, BOE President
- Faith Aprilante, BOE Vice-President
- Aaron Falk, BOE Member
- Trish Kinney, BOE Member
- Gus Koutsourades, BOE Member
- Gabe O'Connell, BOE Member
- Kristen O'Dell, BOE Member
- Erik Mitchell, West Point Liaison
- Dawn Lent, District Clerk

District Administration:

- Michael McElduff, Superintendent of Schools
- Christopher Carballo, Assistant Superintendent for Business
- Rachel Adelstein, Assistant Superintendent for Curriculum, Instruction, and Technology

Mission



The mission of the Highland Falls-Fort Montgomery Schools is to provide enriching, safe and meaningful educational experiences that builds a strong foundation for our diverse student body.

Vision



The HFFMCSD is a school community focused on developing students as lifelong learners equipped with critical thinking and problem solving skills necessary to navigate and shape the future.

Core Beliefs



We will consistently and effectively achieve our vision and accomplish our mission if in all of our work we demonstrate the following core beliefs:

- Focus on the needs of each student and create opportunities to ensure equity
- Foster engagement, collaboration and a sense of belonging for all school community members
- Take collective responsibility and make thoughtful decisions based on best practices
- Diversity, equity, and inclusion are fundamental to creating a welcoming and nurturing environment
- Promote safety, health and wellness for the developmental growth of our community
- Consistently prioritize efficiency and affordability, while also striving for excellence
- Embrace curiosity, connection and critical thinking

Budget Process Explained



The goal of our school budget is to maximize resources to benefit our school community.

- Receiving input from all buildings and departments.
- Accounting for the uncertainties of both Federal and State Aid.
- Understanding that our tuition revenue changes from one year to the next.

What is a School District Budget?



A school district budget:

- Provides for the educational needs of students while maintaining compliance with NYS.
- Is the annual spending plan for the District.
- Is an aggregate view of all final numbers that drive the Districts operations for the following year.
- Is created in alignment with the Board of Education annual goals
- Is more than a collection of numbers, it is a reflection of the mission and core values of the HFFMCSD.

Annual Budget



- The annual budget is based on the recommendations from the buildings, district office, Board of Education and the community.
- The Board of Education adopts a budget in April (4/24/25) that is put forth to the voters on the 3rd Tuesday in May.
 - Voting will take place on May 20, 2025 at the Highland Fall Intermediate School, 6:00 am to 9:00 pm.
- Visit the District website for additional information.

Property Tax Cap



- In June of 2011, NYS officials enacted a law that limited the increase in property taxes for municipalities and school districts (Chapter 97 of the Laws of 2011).
- The first year the tax cap legislation for school districts was 2012-2013.
- While this is often labeled a “2% tax cap” it is misleading as the law does not limit a property tax increase to 2%.
- The law does require for 60% voter approval IF the levy exceeds a specific amount (called the tax levy limit) in the calculator.

Property Tax Calculation



The Property Tax Cap calculation is made up of 8 steps to determine the allowable tax levy:

- Starting with the prior year tax levy (Step1).
- Application of factors for growth and consumer price index (steps 2 & 5).
- Addition and subtraction of current and prior year items such as, Payments In Lieu of Taxes (PILOT's) (Step 3, 4, 6, 7).
- Inclusion of items as calculated and in accordance with the legislation such as Capital Tax levy and NYS retirement system adjustments (step 8).



Frequently Asked Questions About the Tax Cap

- **Does the tax cap law mean school tax levies can't increase by more than 2%?**
 - No, each district prepares their own tax levy calculation that consists of eight factors. The 2% is only one of the eight factors to consider in this calculation.
- **What is a tax levy limit?**
 - The tax levy limit is the highest allowable tax levy (before exclusions) that a school district can propose as part of its annual budget that requires 50% approval by taxpayers. The law does allow for some exceptions such as some pension costs and capital expenses.
- **What does the property tax law mean for your tax bill?**
 - This law does not limit property tax rate increase to 2% or any other value. This law changed the parameter of what voter support is needed to pass a budget
- **Are district capital expenses for BOCES projects under the tax cap?**
 - No

HFFMCSD and the Tax Cap



- The law provides for an 8 step formula that must be used to calculate the tax levy limit.
- The calculation uses a growth factor that is based on local tax base
- The calculation uses the rate of inflation (CPI) or 2% whichever is lower.

History of HFFMCSD
Tax Cap %

Budget Year	Tax levy	Tax Levy Increase
2023-2024	\$11,469,172	1.44%
2022-2023	\$11,305,952	0.00%
2021-2022	\$11,305,952	0.00%
2020-2021	\$11,305,952	1.53%
2019-2020	\$11,135,120	2.47%
2018-2019	\$10,867,114	2.39%
2017-2018	\$10,612,951	3.36%
2016-2017	\$10,267,520	3.34%
2015-2016	\$9,936,021	1.44%
2014-2015	\$9,795,307	2.65%

New York State Aid



- All school aid awarded to the States 691 school districts is determined annually by an act of the state legislature, through the state budget process.
- The states funds come from two principal sources; general fund accounts (88%) and lottery funds (12%).
- The Superintendent generally submits claims for aid to the Office Management Services At the NYSED.

New York State Aid



<ul style="list-style-type: none">● Foundation Aid● Full Day K Conversion Aid● Universal Pre-K● BOCES● High Excess Cost Aid● Private Excess Cost Aid	<p>Driven by NYS formula & data enrollment</p>
<ul style="list-style-type: none">● Hardware & Technology● Software, Library & Textbook● Transportation Aid● Building Aid	<p>Calculation driven by HFFMCSD expenses</p>

2025-2026 Revenue Sources in Addition to NYS Aid



- Payments in Lieu of Taxes (PILOT)
- Health Service Billing
- Insurance Recoveries
- Interest Earnings
- Continuing Education
- Gifts and donations
- Tution (DoDEA and Garrison Contracts) ****Specific to HFFMCSD****
- Miscellaneous
- Federal Aid (Impact Aid)

2024-2025 HFFMCSD Revenue by Source



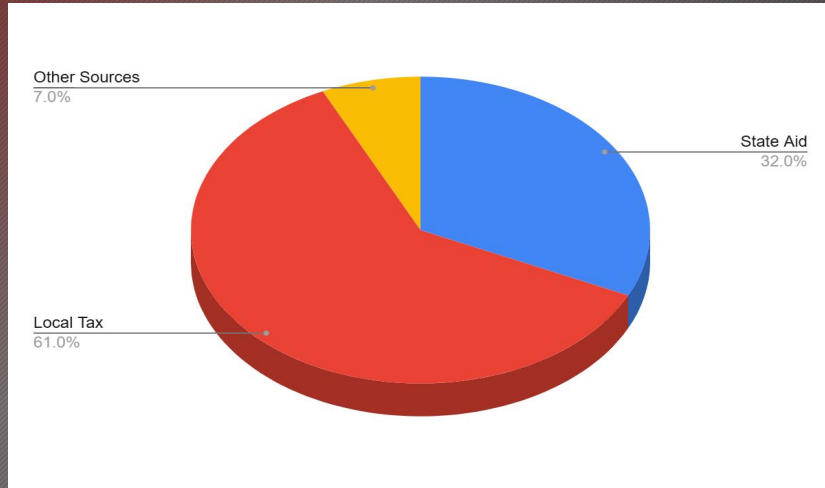
Revenues	21-22 Budget	22-23 Budget	23-24 Budget	24-25 Budget	Percentage Change
State Aid	\$12,037,283	\$14,039,610	\$18,114,523**	\$19,302,020	60%
Local Funds	\$11,305,953	\$11,305,952	\$11,469,172	\$11,688,233	3.38%
Other Funds (Federal, BOCES, Tuition, etc.)	\$11,230,232	10,431,411	\$9,402,581	\$8,904,888	-21%

** State Aid was Fully Funded

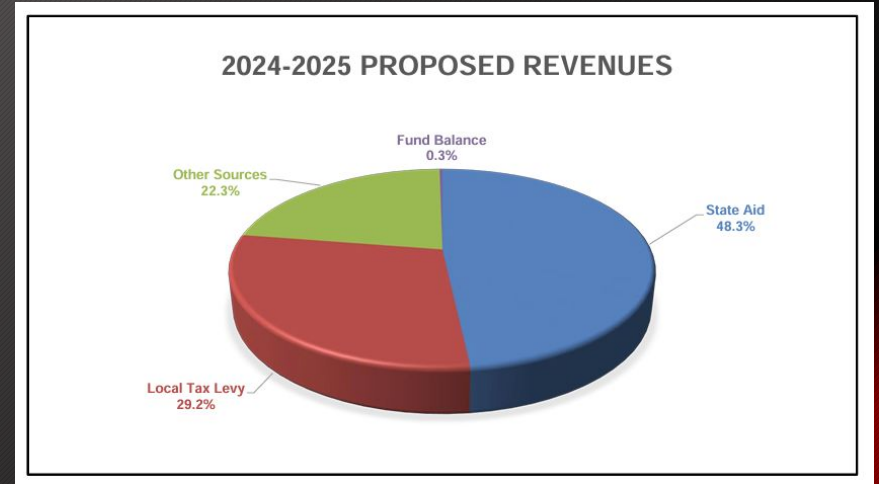
Revenue Comparison



Districts Similar in Size



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** Other Sources: Federal Aid, Tuition, etc.

** Districts Similar in Size chart represents an average of multiple districts in the Hudson Valley with similar budgets and student population

Upcoming BOE Budget Presentations



- March 6, 2025: 1st DRAFT Budget Presentation
- March 20, 2025: Non-Instructional Dept. Budget Presentation
- April 10, 2025: Full DRAFT Budget Presentation to BOE

**** Please visit hffmcsd.org to view the full budget calendar****

May 20, 2025: Annual Budget VOTE at the Highland Falls Intermediate School, 6:00 am to 9:00 pm.