

February 7, 2024

Dear Manhasset School Community,

Last week, I reported to the Board of Education the significant pressures we are facing as we craft the 2024-2025 school budget. Compounding these existing pressures is distressing news of an impending substantial reduction in State Foundation Aid.

Last month, Governor Hochul unveiled her proposed 2024-2025 State Budget. In her budget proposal, Governor Hochul outlined changes that will adversely affect the Manhasset Public Schools. Specifically, the proposed budget includes a reduction of \$629,105 in Foundation Aid representing a stunning 20.7% decrease from the 2023-2024 school year. Foundation Aid is the primary source of state funding for public schools.

This reduction stems from two key revisions to the Foundation Aid formula found in the Governor's proposal. Firstly, there is a reduction in the inflation factor that is used to update the formula each year. The Governor's budget currently calculates inflation at an estimated 2.1% rather than the current rate of 4.1%. Secondly, there is an elimination of the current "Save Harmless" provision of the formula. A critical component of the Foundation Aid formula - "Save Harmless" - has guaranteed that Districts will continue to receive at least as much operating aid as they had received in the previous year plus a minimum 3% increase. Using the traditional formula, our proposed Foundation Aid is \$720,000 less than what it would have been had the Governor not made these changes.

Eliminating "Save Harmless" reverses the State's decades-long promise to school districts to maintain predictable funding levels. This abrupt change will not only have an adverse impact on our finances, but it will also negatively impact our ability to plan for long-term fiscal stability. This is especially problematic when operating in a tax-cap environment.

The state legislature is set to vote on the Governor's proposed budget by April 1. I have spoken with our local representatives, State Senator Jack Martins, and Assemblywoman Gina Sillitti. Both Senator Martins and Assemblywoman Sillitti have pledged to work on our behalf to restore our Foundation Aid. They have both expressed that the Governor's proposal is just the beginning of a long process that will not end until late March or early April. During this time, I urge everyone to advocate for a restoration of this aid. To that end, the Board of Education and I have written the attached letters. Please contact our elected officials and have your voices heard.

At a time when many expenditures, including unfunded state mandates and healthcare, continue to rise beyond the district's control, predictable funding is critical to our ability to continue to provide a quality education for our school community.

Thank you for joining in our efforts to safeguard educational opportunities for our students.

Sincerely,

Dr. Gaurav Passi Superintendent of Schools

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The Honorable Kathy Hochul

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