



EAST HAMPTON PUBLIC SCHOOLS

94 Main Street
East Hampton, Connecticut 06424-1119

February 13, 2017

This informational document is a plea to all staff members, school parents, and community members to contact your lawmakers immediately in regards to the 2017-18 Governor's Budget Proposals. The proposals announced on February 8, while attempting to reduce the state's deficit, merely pass a very heavy and unrealistic burden onto municipalities.

An article in the February 12 *Hartford Courant*, "Towns Fearful, Cities Hopeful: Suburban Officials Worry About Survival" sums it up best:

Gov. Dannel P. Malloy's recent state budget proposal has local leaders on edge, fearing that the suggested redirection of funding to cities will crush residents of mid-size and small towns...

A few cities under Malloy's plan would receive sizable increases in state aid, but leaders of the more than 130 towns looking at sharp funding cuts say their taxpayers just cannot pick up the loss.

[Click here for complete article.](#)

The Governor's suggested budget results in loss of funding that ultimately requires major cuts to the East Hampton Public Schools, cuts that are just too large to imagine or list at this point. While it is admirable to fund our cities appropriately, a "redirection" of funding from 130 towns, all in one year, will result in devastating cuts to schools throughout Connecticut, including our own schools in East Hampton.

There are three major faults with the Governor's proposal:

1. Education Cost Share (ECS) funds to East Hampton are reduced from \$7,538,993 to \$4,274,695 – a cut of \$3,264,298, or a 43% reduction in these funds. ECS dollars are grants to towns to cover education costs and annually have provided approximately 25% of East Hampton's education budget. The sudden, steep drop in the Education Cost Share grant would necessitate a 10% increase in the local property tax burden just to support the current level of funding. Shifting the responsibility of funding from the State level onto local tax increases is simply shameful by the State's Governor. The property tax directly harms local retired residents, while the State has other more equitable tax options, especially the income tax.
2. The Excess Cost reimbursement funds (for Special Education costs) are shifted to a yearly Special Education grant. Elimination of the Excess Cost reimbursement substantially increases risk in local budget. Excess Cost provides support for both highly unusual student needs AND places responsibility squarely on the state for students the State itself places in our local community. Combining Excess Cost reimbursement with all special education expenditures leaves East Hampton totally unprotected for the rare and exceptional cases which do occasionally occur.
3. Governor Malloy is proposing a new way of funding the Teachers' Retirement System by requiring that towns contribute a share to support the pensions of their educators. This proposal does not change or reduce teachers' pensions. Past failures of the State to effectively match teacher pension contributions is unfair to the community of East Hampton, which has endeavored to meet its own retirement obligations. The Town and Board of Education have always properly matched the Social Security and Medicare employee withholdings and the Town has carefully managed the separate pension plans in place. The town's share for 2017-18 as determined by the state would be \$1,528,350.

The chart below highlights the loss of state funding to East Hampton. In the article listed above, a local town manager is quoted as saying, “If you want to bankrupt towns, this is a good way of doing it.” That statement is not far from the truth for East Hampton, given that last year’s referendum provided less than a \$300,000 increase. Losing \$3 million is devastating to our community.

This year: 2016-17 Education Cost Share (ECS) from State	This year: 2016-17 Estimated Excess Cost Special Education reimbursement funds from State	This year: 2016-17 Education Cost Share + Excess Cost	Next year: 2017-18 Education Cost Share (ECS) from State	Next year: 2017-18 New Special Ed Funding from State	Next year: 2017-18 Education Cost Share + Special Ed Funding	Difference from 2016-17 to 2017-18
\$7,538,993	\$489,447	\$8,028,440	\$4,274,695	\$2,127,122	\$6,401,817	(-\$1,626,623)
This figure is already \$175,000 less than last year.			This figure is cut by 43% - \$3,264,298 less than last year!	Under this plan there is no additional reimbursement for Special Education.		

Difference in state funding from 2016-17 to 2017-18	New burden to Town to support the State’s responsibility to adequately fund the Teachers’ Retirement System	Difference from 2016-17 to 2017-18 combined with Town’s portion of funding the State’s Teachers’ Retirement System
(-\$1,626,623)	\$1,528,350	(-\$3,154,973)
		This figure if not adjusted by the state is not reasonable to pass on to East Hampton taxpayers. Our schools are at risk for being dismantled by the 2017-18 Governor’s Budget Proposal.

The East Hampton Board of Education has conservatively managed the school district in accordance with all state mandates and local preferences of parents and the community. Elementary class sizes already exceed typical comparison towns. Any dramatic reduction to the BOE budget to offset the reduction of state funding (particularly through the Education Cost Share grant) will have a severe, negative impact on the students we serve.

I urge you to contact our East Hampton state representatives immediately and express your displeasure with the Governor’s Proposals. Any proposal that reduces the state’s obligations to towns must be overturned. It is insulting that the Governor has boasted that state taxes will not increase while passing on an unreasonable burden to the local municipalities and local property taxes.

Name (Click name for Website)	Title (Click for E-mail)
Melissa H. Ziobron	State Representative, District 034
Art Linares	State Senator, District S33

Please do not hesitate to contact me if you have any questions or concerns.

Paul K. Smith
Superintendent of Schools