

**GREAT NEWS: \$3.5 MILLION IN SCHOOL COST SAVINGS . . . OOPS, NO, SORRY . . .  
BAD NEWS: TAXPAYERS ASKED TO PAY \$4.2 MILLION MORE FOR OUR SCHOOLS  
DESPITE THOSE SAVINGS AND A 1% DECLINE IN ENROLLMENT.**

Superintendent of Schools David Title recently released his recommended school budget for next year.

Thanks to a new healthcare plan (the Connecticut Partnership Plan 2.0), next year’s BOE budget will benefit by **\$3.5 million**. Unfortunately, **Dr. Title proposes that we spend all those savings and more** with a **\$4.2 million**, or 2.6%, increase in next year’s budget to **\$165.4 million** (vs. \$161.2 million this year), even though he projects that enrollment will continue to decline – **down 1%** from **10,058** to **9,960**, and **down 3%** from the FY 2012 peak of **10,287**.

**It should be quite alarming to taxpayers that without the \$3.5 million in savings on healthcare costs, Dr. Title would presumably be asking for a \$7.7 million, or 4.8%, increase in spending at a time when enrollment continues to decline.** This is particularly alarming at a time when Fairfield taxpayers continue to struggle with a difficult general economic environment in which incomes are growing slowly if at all (e.g., no COLA increase in Social Security benefits for seniors this year), a weak stock market, the impending departure of the Town’s largest taxpayer, and an impending 2% increase in the mill rate simply to offset the recent 2% decline in Fairfield home values (and thus in the Town’s tax base) after the 2015 revaluation. Since the BOE budget represents 55% of our total spending, a 4.8% increase would mean that **even if there were no increase in spending on the Town side (police, fire, roads, debt service, etc.), the mill rate would have to rise 2.6%** (55% of 4.8%). Combined with the 2% increase required to offset the decline in our tax base, all other things equal, the mill rate would have to rise almost 5% to 25.95 from 24.79. Also, keep in mind that the following year (2017-18), BOE healthcare costs are expected to resume their 5%-10% annual increases.

	BOE BUDGET SUMMARY (\$ 000)						
	Estimated Actual 2015-2016	Proposed 16-17 Budget		\$ Change		% Change	
		With HC Savings	Without HC Savings	With HC Savings	Without HC Savings	With HC Savings	Without HC Savings
Benefits	\$26,787.8	\$25,262.5	\$28,762.5	-\$1,525.3	\$1,974.7	-5.7%	7.4%
All Else	\$134,427.8	\$140,131.1	\$140,131.1	\$5,703.3	\$5,703.3	4.2%	4.2%
Total	\$161,215.6	\$165,393.6	\$168,893.6	\$4,178.0	\$7,678.0	2.6%	4.8%

Where is the **\$5.7 million** in higher spending (on everything other than benefits) going? Compared to “estimated actual” spending this year (instead of what was budgeted for this year), the answer is:

- **\$3.0 million** will pay for a 3% increase in staff salaries (including a net addition of six more people raising the total to 1,484 so-called “Full-Time Equivalents”).
- **\$0.9 million** will pay for a 32% increase in “Supplies/Texts/Materials.”<sup>1</sup>

<sup>1</sup> This huge **32%** increase on top of a **17%** increase this year (**that’s 54% over two years**) is blamed primarily on “program improvements” that “necessitate a large increase in textbooks for Mathematics, Social Studies, World Language and English/Language Arts.”

- **\$0.7 million** will fund a 41% increase in “Capital” expenses (primarily computers, but also things like projection systems, snow blowers and floor scrubbers).
- **\$0.5 million** will cover a 5.5% increase in “Operations & Maintenance of Buildings.”<sup>2</sup>
- **\$0.2 million** will allow a 7% increase in “Instructional Services” (on top of a 21% increase this year).<sup>3</sup>
- **\$0.2 million** will pay for increased transportation costs.
- **\$0.2 million** covers increases in everything else.

### How About a Flat BOE Budget?

**Fairfield Taxpayer strongly recommends that instead of raising spending by \$4.2 million, the BOE should instead figure out how to manage our schools next year with no increase from the \$161.2 million we will spend this year.** Thanks to the healthcare cost savings, a flat budget will allow them to increase spending on everything else by 1.1%, which should be enough to meet essential educational needs, particularly with enrollment down another 1.0% on top of the 2% decline since 2012.

### Perennial Presentation Distortions

As usual, in order to set a sympathetic tone for his budget request, Dr. Title’s budget presentation features prominently three graphs: one showing Fairfield’s historical Per Pupil Expenditures (PPE) relative to the state average, another showing our PPE relative to other Southern Fairfield County towns, and one that shows the decline in Fairfield’s state rank in terms of PPE spending. The captions on the graphs read as follows: “PPEs statewide have increased 42% while Fairfield’s has increased 21%,” “Fairfield has moved from 20<sup>th</sup> to 81<sup>st</sup> in PPEs” (meaning that more and more CT school districts are spending more per pupil), “Fairfield has the second lowest PPE in Southern Fairfield County,” and “Southern Fairfield County’s Average PPE is 15.5% higher than Fairfield’s PPE.”

As usual, the presentation does not: (a) explain that Fairfield’s PPE is lower than many other districts because it is one of the largest school districts, and therefore benefits from significant economies of scale; (b) explain how PPEs in various Southern CT towns compare to their relative ability to pay for public services; or (c) explain that the decline in Fairfield’s PPE rank is attributable primarily to the effect of continued significant enrollment decline and diseconomies of scale for the 61 additional school districts that now spend more than Fairfield.

Our most recent analysis of these graphs and of related statements by Dr. Title and BOE Chairman Dwyer, both of whom last year referred to the decline in Fairfield’s PPE rank as “a race to the bottom,” can be found on our website.<sup>4</sup> We will update this analysis shortly.

### First Breakdown of School Spending by Program

<sup>2</sup> This **5.5%** increase comes **despite an expected decline in the so-called “utility services”** (electricity and heating) that account for almost half the total because of a very substantial **12%** increase in “maintenance services” (a grab bag of everything from snow removal to the repair of school-owned musical instruments).

<sup>3</sup> This **7%** increase on top of a **21%** increase this year (**that’s 29% over two years**) is blamed primarily on the need for “*professional consultation to address psychiatric and behavior issues at the high schools, resulting in a decrease in outplacements at that level.*” Note that despite this huge increase in spending, tuition for outplacements is still expected to rise 1.5% next year to \$4.7 million, which is the same as it was two years ago.

<sup>4</sup> “PER PUPIL EXPENDITURES IN FAIRFIELD SCHOOLS: A RACE TO THE BOTTOM? WE DON’T THINK SO”  
[http://www.fairfieldtaxpayer.com/uploads/1/1/1/8/11185705/race\\_to\\_the\\_bottom\\_final4.pdf](http://www.fairfieldtaxpayer.com/uploads/1/1/1/8/11185705/race_to_the_bottom_final4.pdf)

Fairfield Taxpayer commends Dr. Title for providing the first breakdown of the school budget by program (and we hope he will also soon provide the BOE budget in an Excel format to facilitate analysis). It will take considerable time to analyze fully these new data, to benchmark them against other towns and to refine them on a per-student cost basis, but some initial observations are as follows:

If we subtract **\$49.2 million** in unallocated costs (i.e., \$26.3 million for employee benefits, \$9.9 million for operation of plant, and \$8.0 million for transportation and \$4.9 million for maintenance of plant), from the proposed total budget of **\$165.4 million**, we get **\$116.2 million**, which breaks down as follows:

- **\$62.5 million**, or 54% – **Direct Classroom Instructional** Programs
- **\$19.7 million**, or 17% – **Special Education**
- **\$11.0 million**, or 9% – **Other Support Services** (speech & language, psychological, guidance)
- **\$23.1 million**, or 20% – Everything else, primarily **Administration**

The major components of the **\$62.5 million** in **Direct Classroom Instruction** costs are as follows:

- **\$19.5 million** and – General Instruction, which is primarily classroom teachers for grades 1-6
- **\$33.6 million** and – Eight subjects – Reading (PK-12), English (7-12), World Language (3-12), Health/PE (PK-12), Math (K-12), Music (K-12), Science (7-12) and Social Studies (7-12), or on average **\$4.2 million each** with a range of **\$3.5 million** (English) to **\$5.1 million** (Math)
- **\$2.7 million** – Kindergarten
- **\$2.2 million** – Art (K-12)
- **\$1.7 million** – Technology (7-12)
- **\$1.5 million** – Family Consumer Science (6-12)
- **\$0.8 million** – Business (9-12)
- **\$0.5 million** – Everything else (Preschool and Alternative Education)

The major components of the **\$11.0 million** in **Other Support Services** are as follows:

- **\$2.7 million** – Guidance
- **\$2.7 million** – Speech & Language
- **\$2.5 million** – Student Activities (including athletics)
- **\$1.7 million** – Psychological Services
- **\$1.1 million** – Social Work Services
- **\$0.4 million** – Everything else (Security and Health Room)

The major components of **\$23.2 million** in **Administrative** costs are as follows:

- **\$9.0 million** – School Administration (Principals, Deans, Clerical, etc.)
- **\$5.6 million** – Technology Services (Salaries, Software, Computers, etc.)
- **\$3.6 million** – Improvement of Instruction (Deputy Superintendent, Curriculum Leaders, etc.)
- **\$2.2 million** – Media Services (School Libraries)
- **\$1.0 million** – Superintendent's Office
- **\$0.9 million** – Business Services
- **\$0.7 million** – Human Resources
- **\$0.1 million** – Everything else (Mail Room, Copy Center)

**Top Ten Percentage Increases** in the 34 program line items<sup>5</sup> over the last two years (i.e., “proposed 2017 spending” versus “actual 2015 spending”), when enrollment has declined 2%, are as follows:

- 84.9% – **Alternative Education** (\$326,020 vs. \$176,301)
- 34.7% – **Business Education (9-12)** (\$761,443 vs. \$565,208)
- 24.3% – **World Language** (\$4,473,778 vs. \$3,599,748)
- 19.0% – **Technology Services** (\$5,644,616 vs. \$4,742,881)
- 18.5% – **Psychological Services** (\$1,743,235 vs. \$1,470,882)
- 17.2% – **Social Studies (7-12)** (\$4,104,752 vs. \$3,500,905)
- 16.6% – **Reading/Lang. Arts (PK-12)** (\$3,497,006 vs. \$2,999,671)
- 15.7% – **Mathematics (K-12)** (\$5,106,080 vs. \$4,412,505)
- 13.6% – **Family Consumer Science (6-12)** (\$1,509,433 vs. \$1,328,807)
- 12.4% – **Maintenance of Plant** (\$4,926,751 vs. \$4,384,958)

**Bottom Ten Percentage Increases**

- (71.8%) – **Human Resources** (\$696,658 vs. \$2,472,311)
- (20.5%) – **Superintendent’s Office** (\$995,928 vs. \$1,253,175)<sup>6</sup>
- (0.6%) – **Kindergarten** (\$2,665,822 vs. \$2,681,607)
- 1.2% – **Employee Benefits** (\$26,277,062 vs. \$25,976,978)
- 1.3% – **General Instruction** (\$19,496,440 vs. \$19,243,122)
- 3.3% – **Transportation** (\$8,012,350 vs. \$7,752,942)
- 4.1% – **Media Services** (\$2,192,920 vs. 2,106,545)
- 4.8% – **Health / PE (PK-12)** (\$3,815,000 vs. \$3,639,168)
- 5.3% – **Preschool** (\$205,696 vs. \$195,266)
- 5.7% – **Art (K-12)** (\$2,235,532 vs. \$2,115,623)

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<sup>5</sup> Excluding four line items that are under \$100,000 in FY17.

<sup>6</sup> This decline is probably attributable to a reclassification of certain costs.