

SCHOOL + STATE  
FINANCE PROJECT

[www.schoolstatefinance.org](http://www.schoolstatefinance.org)

# SCHOOL FINANCE 101

How Connecticut Funds  
Education

*Hamden Edition*

# Contact Us

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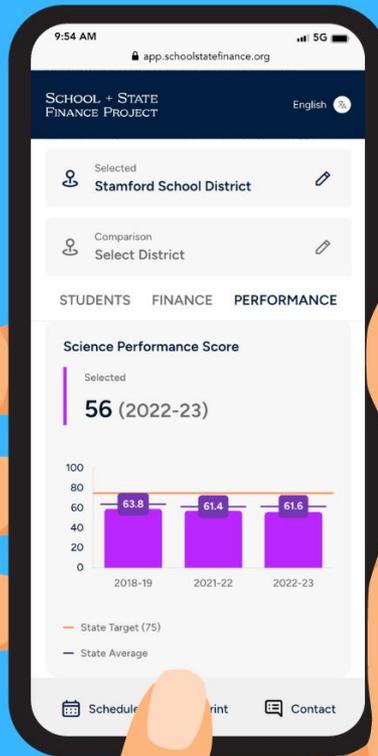
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# EdExplorer



 [app.schoolstatefinance.org](https://app.schoolstatefinance.org)



 **student performance**

 **school finance**

 **demographics**

developed by

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# About Us



Statewide  
organization  
founded in 2015



Nonprofit,  
**nonpartisan** policy  
organization



Trusted resource that  
works **collaboratively**  
with policymakers,  
school district  
officials, community  
leaders, and all  
individuals



Develops data-  
driven solutions to  
ensure **ALL public  
school** students  
receive **equitable  
education funding**  
that supports their  
learning needs

# Our Priorities



**Students**



**Schools**



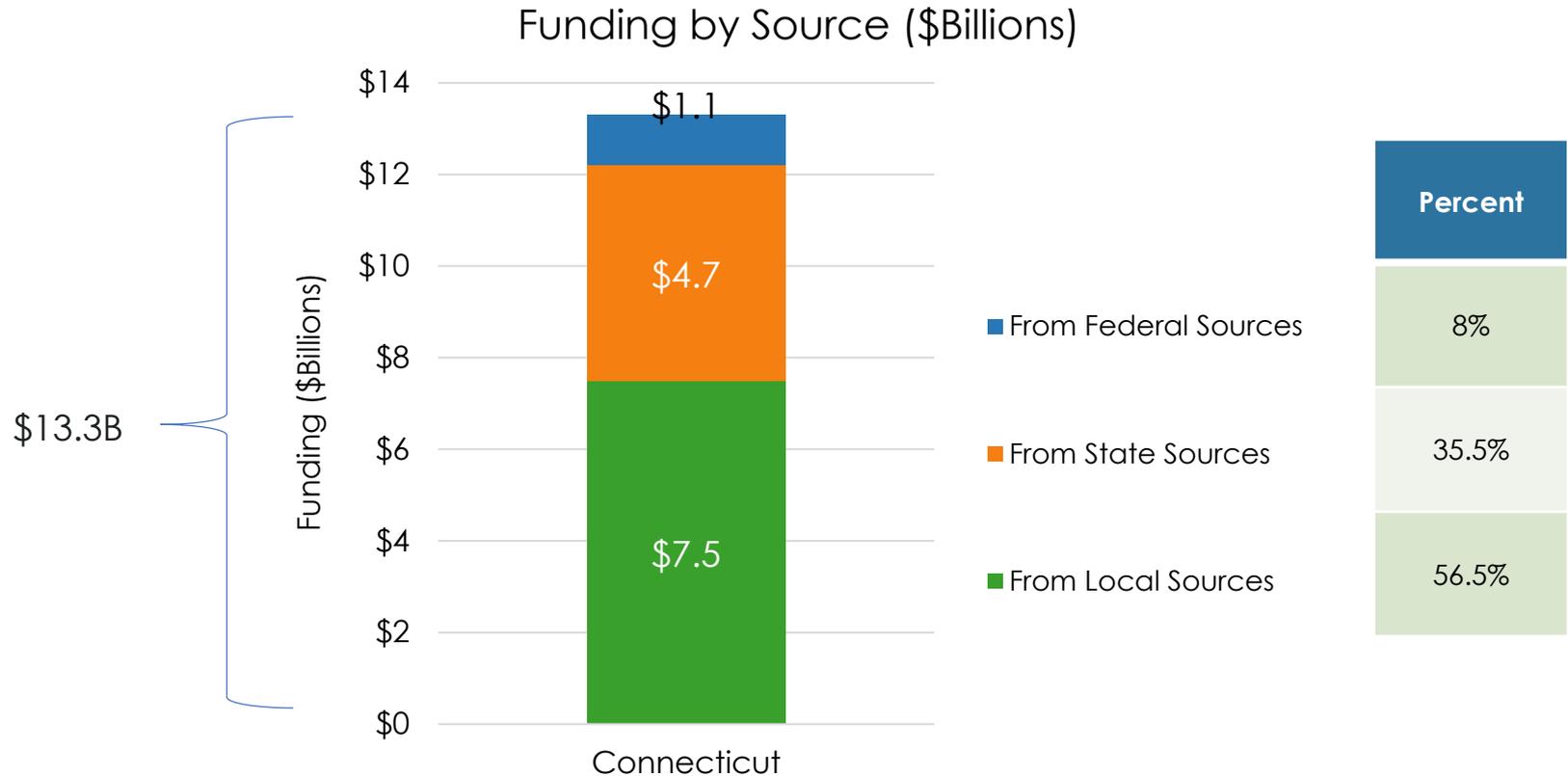
**Communities**

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# OVERVIEW

# What are the funding sources for K-12 education in Connecticut?

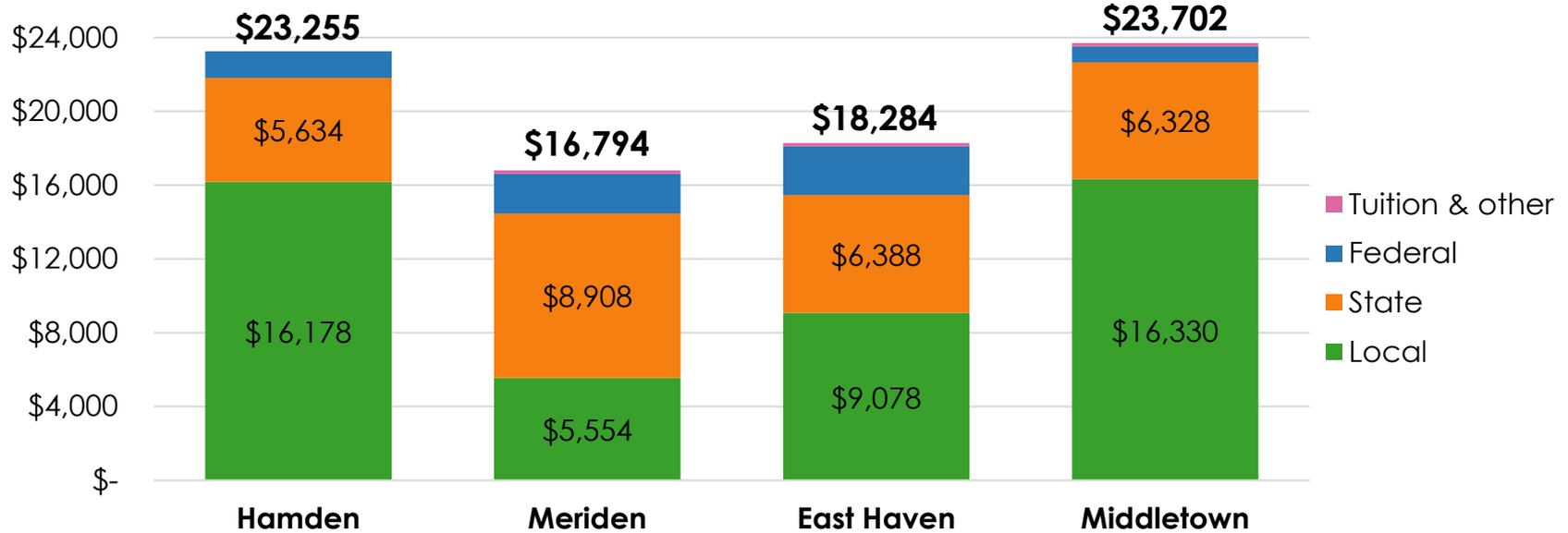


Source: U.S. Census Bureau. (2024). Table 1: Summary of Public Elementary-Secondary School System Finances by State: Fiscal Year 2022. *2022 Annual Survey of School System Finances*. Washington, DC: Author. Available from <https://www.census.gov/data/tables/2022/econ/school-finances/secondary-education-finance.html>.

# HAMDEN EDUCATION SPENDING

# Hamden spends over \$2,000 more per student than the state average (\$21,143)

## Per-Student Funding by Source



Student Demographics	Hamden	Meriden	East Haven	Middletown
Low-Income	42%	77.1%	52.9%	49.8%
Multilingual Learners	7%	17.5%	12%	4.8%
Students w/ Disabilities	18.8%	20.8%	17.6%	15.8%
BILPOC Students	71.6%	78.2%	53%	56.3%



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STATE FUNDING  
VIA THE EDUCATION  
COST SHARING  
FORMULA (ECS)

**The ECS formula is used to distribute state education aid to municipalities for their local or regional public school districts**

# Why CT Has an ECS Formula

- The state began providing aid to cities/towns as a result of a 1977 CT Supreme Court decision, *Horton v. Meskill*.
- In *Horton* (1977), the Court ruled an education funding system that allows **“property wealthy” towns to spend more on education with less effort** is a system that **impedes** children’s constitutional rights to an **equal education**.
- **At its core, *Horton v. Meskill* was about equity** and ensuring all Connecticut students had access to the resources and opportunities necessary for them to succeed inside and outside of the classroom.
- As a result of the 1977 ruling, CT established a formula to give money to public school districts that took property wealth into consideration.
  - In 1988, CT established the Education Cost Sharing (ECS) formula to serve this purpose. It has been revised numerous times since.
  - In theory, **the ECS grant is supposed to make up the difference between what a community can afford to pay and what it costs to run a public school system.**

Sources: *Horton v. Meskill*, 172 Conn. 615 (Conn. Sup. Ct. 1977).  
Connecticut General Assembly, Office of Legislative Research. (2013). *Task Force to Study State Education Funding Final Report*. Retrieved from <http://www.cga.ct.gov/2013/rpt/2013-R-0064.html>.

# Foundation Amount

- The ECS formula begins with a foundation amount, which is supposed to represent the amount of money it costs to educate a child with no additional learning needs.
- In Connecticut, the foundation amount is established by the legislature
- Currently, the foundation amount is **\$11,525**
- The foundation amount has not been adjusted since 2013 when it raised from \$9,687 to \$11,525

# ECS Formula's Student-Need Weights

<b>Low-Income Student Weight</b>	<b>30%</b>
<b>Concentrated Poverty Weight</b> <i>Applied to Every Student Above 60% Concentrated Poverty</i>	<b>15%</b>
<b>Multilingual Learner Weight</b>	<b>25%</b>



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Student Need	Funding Per Student
General Education (Non-need) Student	\$11,525
Low-income Student (+ \$3,458)	\$14,983
Concentrated Low-income Student (+ \$5,186)	\$16,711
Low-income and Multilingual Learner (+ \$6,339)	\$17,864
Multilingual Learner (+ \$2,881)	\$14,406
Concentrated Low-income Multilingual Learner (+ \$8,067)	\$19,592

Source: Conn. Gen. Statutes ch. 172, § 10-262f.  
All numbers are rounded

# Base Aid Ratio

A town's **ability to fund its public schools** is determined by two factors in the ECS formula. These factors make up the **Base Aid Ratio**.

<b><u>Property Wealth</u> Factor</b>	<b>70%</b>
<b><u>Income Wealth</u> Factor</b>	<b>30%</b>



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# Additional Funding for Towns in Need

- The ECS formula also adjusts the Base Aid Ratio to provide additional funding to the 19 communities with the lowest wealth and highest needs.
- Using a 4-tiered scale, additional percentage points are added to the Base Aid Ratio to drive more state funding to these 19 communities based on their relative wealth and need.

## ECS grants fluctuate year to year based on changing data

- ECS grants are calculated on an annual basis and take into account updated data that may alter previous grant estimates.
- As a result, actual ECS grant amounts may differ from previous projections and estimates due to changes in enrollment, student needs, and/or community wealth.
- This is particularly important to remember as the ECS formula becomes fully funded in FY 2026.

# Factors Impacting a Town's ECS Grant

- Town's prior year ECS grant amount
- # of students residing in town
- # of economically disadvantaged students
- % of students who are economically disadvantaged
- # of students who are multilingual learners
- # of students sent to regional school districts, and how many grades the regional district has
- Town's property wealth (ENGLPC)
- Income of town residents (Median Household Income)
- PIC Index score
- Alliance District status

# Hamden's ECS Components: Total Cost

FY 2025 ECS Model

Selected Town

Hamden

## 2. Need Student Count

Students with certain learning needs are more likely to need additional resources in order to have equal access to educational opportunities. In order to assist districts serving students with higher learning needs, education funding formulas often include weights for specific student needs.

The ECS formula contains three "need-student" weights, which increase per-student state education aid for students with additional learning needs. Included in the ECS formula are weights for low-income students, concentrated poverty, and multilingual learners. A town's "Need Student Count" is determined using these weights.

Variable	Count	Weight	Weighted Count
Resident Student Count	6,271	None	6,271
Low-income Student Count (i.e. # of students eligible for free or reduced-price lunch)	3,001	30%	796
Multilingual Learners Count	452	25%	106
% of Low-income Students (determines eligibility for concentrated poverty weight)	47.85%	60%	0

<b>Need Student Count</b>	<b>7,285</b>
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<b>Foundation</b>	x	<b>Need Student Count</b>	=	<b>Foundation x NSC</b>
\$11,525	x	7,285	=	\$83,956,398

# Hamden's Calculated Base Aid Ratio

FY 2025 ECS Model

Selected Town

Hamden

### 3. Base Aid Ratio

The Base Aid Ratio is the variable in the ECS formula that determines each community's ability to financially support its public schools. In the ECS formula, the Base Aid Ratio acts as an equity metric to distribute state education aid, with the towns with the least ability to fund their public schools receiving the most state aid.

The Base Aid Ratio uses two elements to calculate a town's ability to fund its public schools: a property wealth factor and an income wealth factor. The property wealth factor counts for 70% in determining a town's Base Aid Ratio, while the income wealth factor counts for 30%. Towns with a PIC rank of 0 do not receive a PIC bonus and do not have a score because they are not among the 42 highest ranked towns.

Variable	Value	Variable	Value
Equalized Net Grand List per Capita (ENGLPC)	\$109,290	CT Median ENGL	\$172,274
Median Household Income (MHI)	\$80,779	CT Median MHI	\$95,553
Alliance District	Yes		
Public Investment Communities (PIC) Index Rank	16		
PIC Score	321		
PIC Index Factor BAR Adjustment	0.03		

<b>Base Aid Ratio</b>	<b>51.32%</b>
-----------------------	---------------

<b>Foundation</b>	x	<b>Need Student Count</b>	x	<b>Base Aid Ratio</b>	=	<b>Initial Grant</b>
\$11,525	x	7,285	x	51.32%	=	\$43,085,584

# ECS Phase-In for Hamden

FY 2025 ECS Model

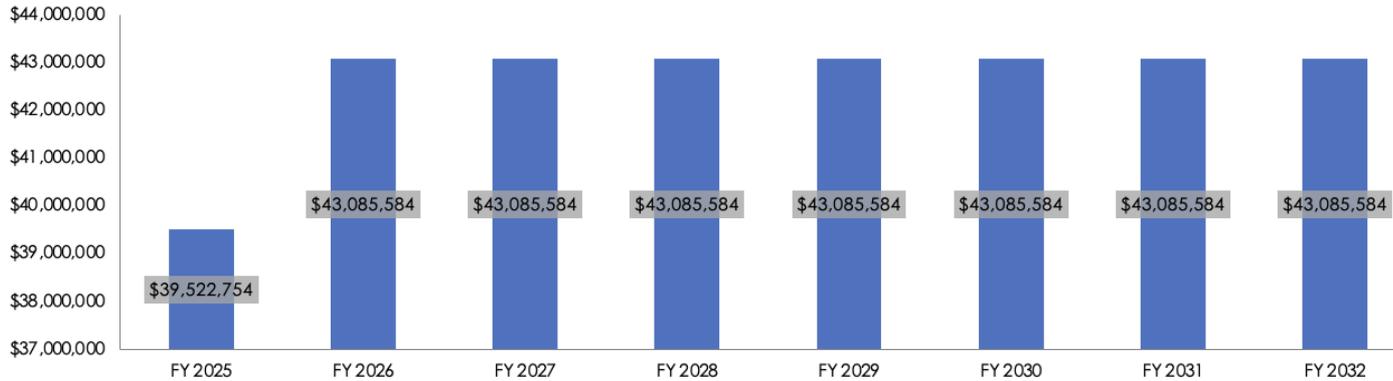
Selected Town

Hamden

The phase-in gradually transitions all towns from their prior year ECS grant amounts to their fully-funded amounts. The phase-in, as described on the prior tab, applies the phase-in percentage to the prior year's grant amount. Once a town completes the phase-in period, it will receive its fully-funded grant amount in every subsequent year.

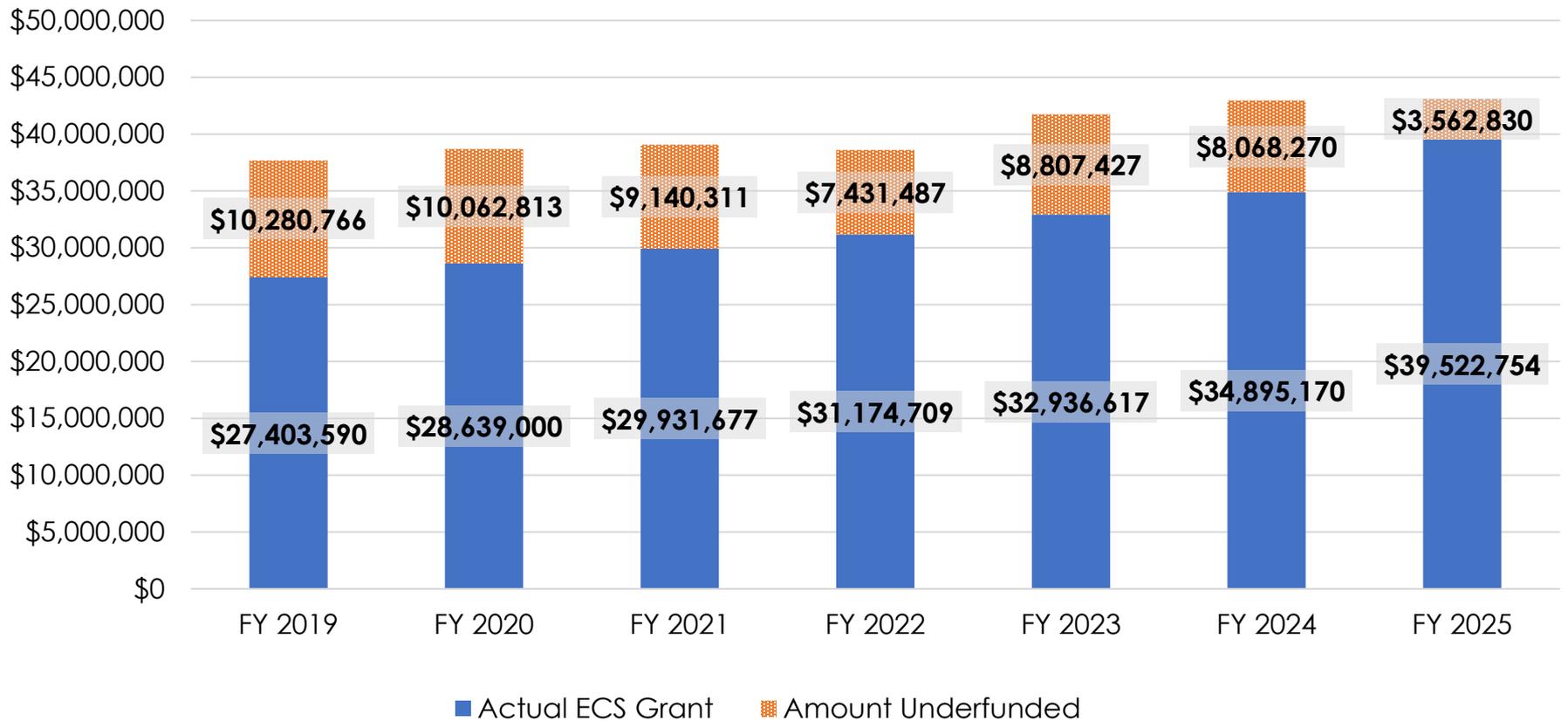
	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032
<b>Projected Grant</b>	\$39,522,754	\$43,085,584	\$43,085,584	\$43,085,584	\$43,085,584	\$43,085,584	\$43,085,584	\$43,085,584
<b>Projected Change from FY 2024</b>	\$4,627,584	\$8,190,414	\$8,190,414	\$8,190,414	\$8,190,414	\$8,190,414	\$8,190,414	\$8,190,414

Town ECS Grant Projections



# Since the start of the ECS formula in FY 2019, Hamden has received \$57.4M less than what full funding called for

## Hamden ECS Grants and Amount Underfunded by Year



# WHAT DOES THIS MEAN FOR HAMDEN?

# How do cities and towns raise money to pay for public schools?

- Cities and towns raise money to pay for services (including public schools) through property taxes.
  - Cities and towns are able to collect tax on property that is owned by the people who live there.
  - Cities and towns can collect taxes on “real” property (e.g. office building, apartment buildings, houses) and “personal” property (e.g. cars and boats).
  - Property that belongs to some nonprofit organizations, like universities, hospitals, and churches, may be exempt from property tax.

Source: State of Connecticut, Office of Policy and Management. (n.d.). Statutes Governing Property Assessment and Taxation. Retrieved from <https://portal.ct.gov/OPM/IGPP/Services/Statutes-Governing-Property-Assessment-and-Taxation>.

# How much do cities and towns need to contribute toward funding their public schools?

- Cities and towns must make up the difference between what their local public school system receives from state and federal sources and the local public school district's budget.

$$\text{School District Budget} - \text{Federal Revenue} - \text{State Revenue} = \text{Municipal (Local) Contribution}$$

# THE ROLE OF WEALTH AND PROPERTY TAXES

One of the most *fundamentally flawed* parts of education funding is its **reliance on local property taxes.**

It enables an *inequitable* system where affluent, predominantly white communities are able to **fund their schools at higher levels.**



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# The Values of Grand Lists Vary Widely

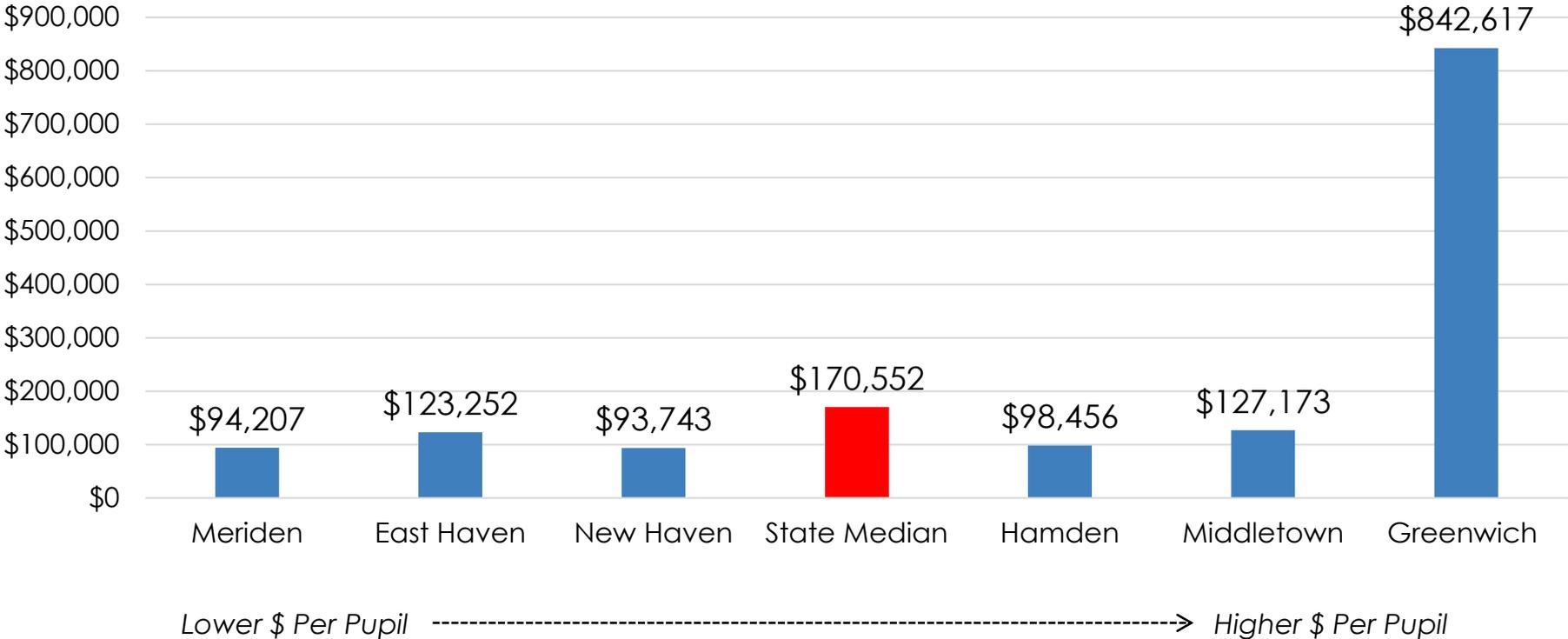
Municipality	Equalized Net Grand List GLYR 2022
GREENWICH	\$62,632,853,187
STAMFORD	\$43,785,874,323
NORWALK	\$27,515,255,112
WESTPORT	\$22,964,312,305
FAIRFIELD	\$22,275,269,235
...	...
<b>HAMDEN</b>	<b>\$8,534,575,348</b>
...	...
<b>STATE MEDIAN</b>	<b>\$2,630,152,182</b>
...	...
CANAAN	\$338,781,167
EASTFORD	\$322,116,821
HAMPTON	\$298,495,601
SCOTLAND	\$251,179,289
UNION	\$211,355,052

**\$62.4B**

Source: State of Connecticut, Office of Policy and Management. (2024). Equalized Net Grand List by Town (2011-2022 GL). Available from [https://data.ct.gov/Local-Government/Equalized-Net-Grand-List-by-Town-2011-2022-GL-/8rr8-a322/about\\_data](https://data.ct.gov/Local-Government/Equalized-Net-Grand-List-by-Town-2011-2022-GL-/8rr8-a322/about_data).

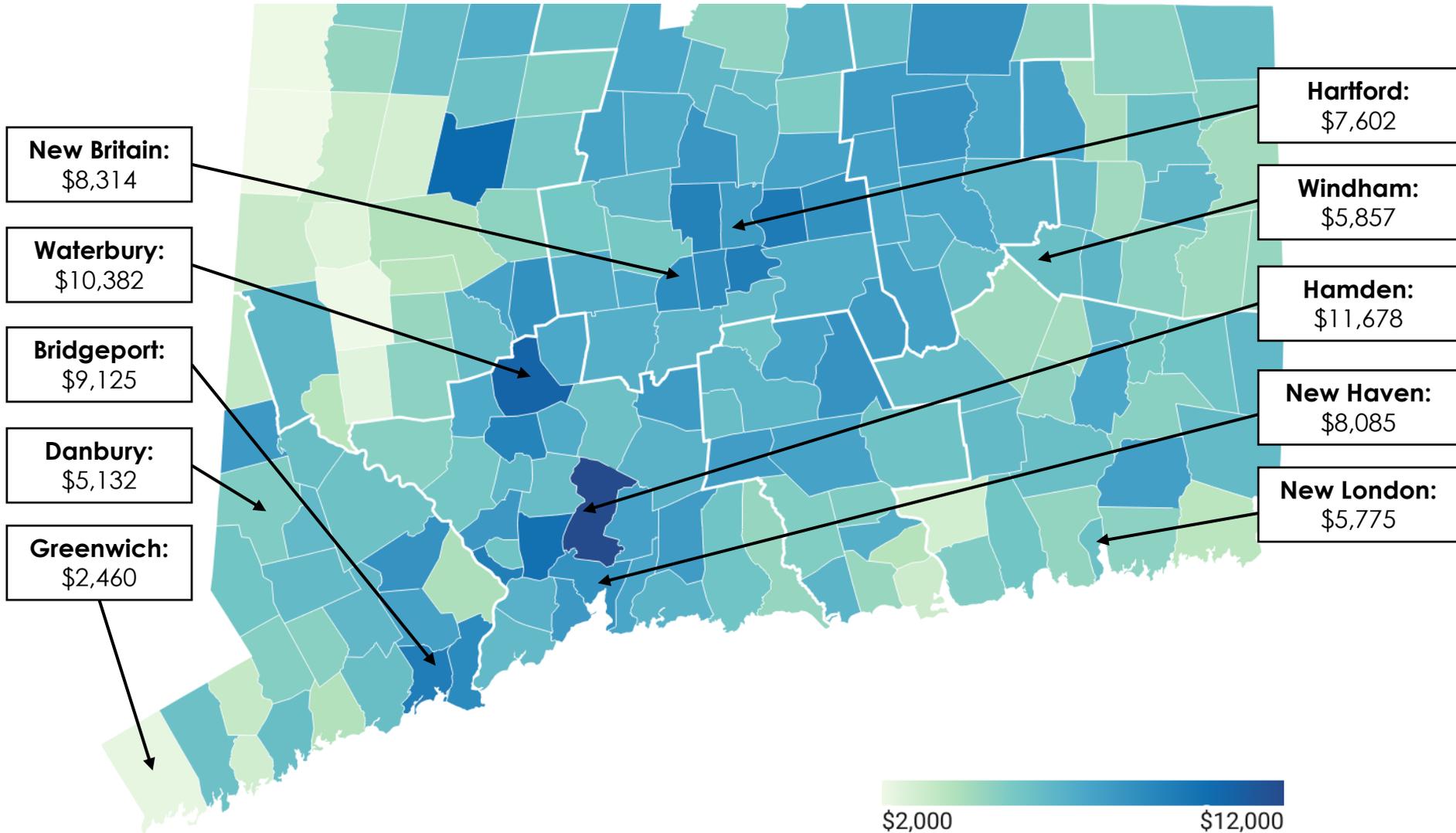
# Equalized Net Grand List per Capita (ENGLPC) represents the value of taxable property in a town per resident

**Equalized Net Grand List per Capita by Town**



Sources: State of Connecticut, Office of Policy and Management. (2024). *Municipal Fiscal Indicators, Fiscal Years Ended 2018-2022*. Hartford, CT: Author. Retrieved from <https://portal.ct.gov/-/media/opm/finance/mfs-unit/municipal-fiscal-indicators/municipal-fiscal-indicators-2018-22---final.pdf>. Connecticut State Department of Education. (n.d.). *Per Pupil Expenditures by Function (District), 2022-2023*. Retrieved from [https://public-edsight.ct.gov/overview/per-pupil-expenditures-by-function---district?language=en\\_US](https://public-edsight.ct.gov/overview/per-pupil-expenditures-by-function---district?language=en_US).

# Property Taxes on a \$300,000 House



# Understanding Tax Abatements

- In Connecticut, local municipalities may provide tax abatements to a person/business purchasing or leasing a property or airspace.
- **A tax abatement** is when a local municipality **reduces or exempts a property from taxes for a certain amount of time**. This includes both the property and any improvements made to the property.

Things to keep in mind:

- Local property taxes account for 56.5% of school funding in Connecticut.
- **Reducing or eliminating property taxes** results in lower property tax revenue for a municipality and may lead to **lower school funding**.
- Abatements **can encourage** companies to create more retail or manufacturing space, which results in **more jobs**.



# 2024 LEGISLATIVE SESSION

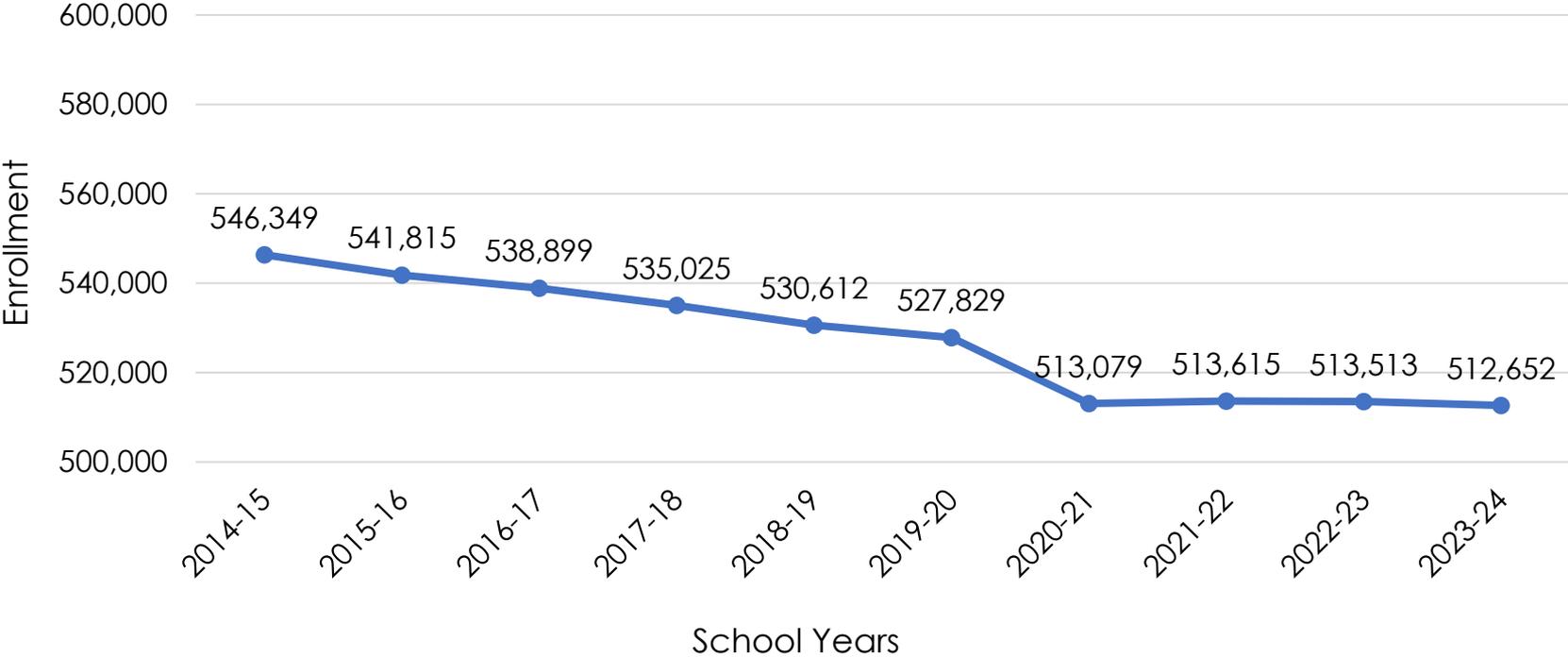
# In 2024, the General Assembly made historic investments in students and schools, including:

- **Protecting the \$150 million investment** in K-12 education made during the 2023 session
  - Largest year-over-year investment in the past decade and second largest in state history.
- **Continuing the accelerated phase-in** of the ECS formula
  - Towns considered “underfunded” are scheduled to receive their fully funded ECS grant in FY 2026.
- **Extending ECS-based funding** partially in FY 2025 resulting in greater, student-centered funding to:
  - Interdistrict magnet schools
  - AgriScience (ASTE) programs
  - State charter schools
- **Maintaining the 58% cap on general education tuition** charged by magnet schools and AgriScience programs for FY 2025 and beyond
  - Local districts will save an estimated \$39.1 million annually due to the new tuition cap.

# SPECIAL EDUCATION

# Over the last 10 years, the total number of students in Connecticut public schools has declined by 6.2%

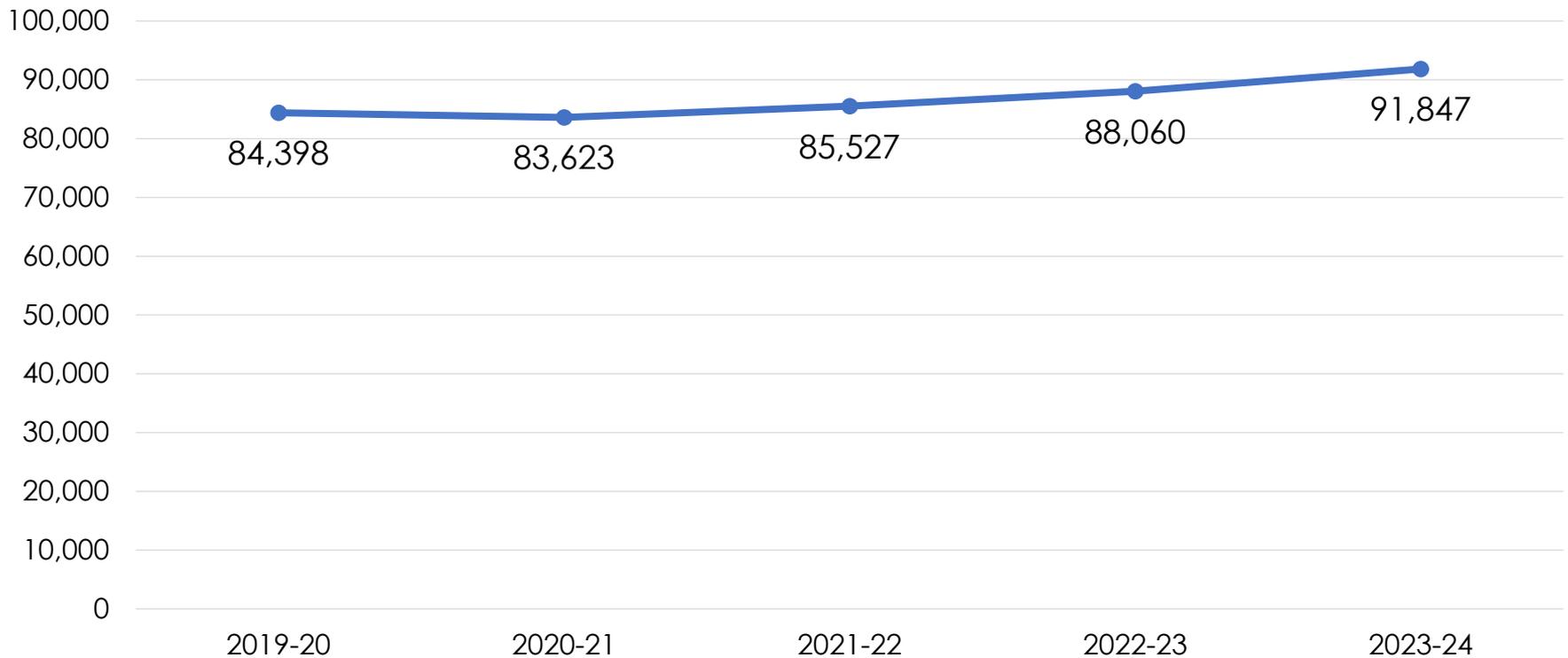
### Connecticut Public School Enrollment by School Year



Source: Connecticut State Department of Education. (n.d.). EdSight: Public School Enrollment. Available from <http://edsight.ct.gov/SASPortal/main.do>.

# Despite declining enrollment, the total number of students with disabilities in Connecticut public schools has increased by 8.8% over the past 5 years

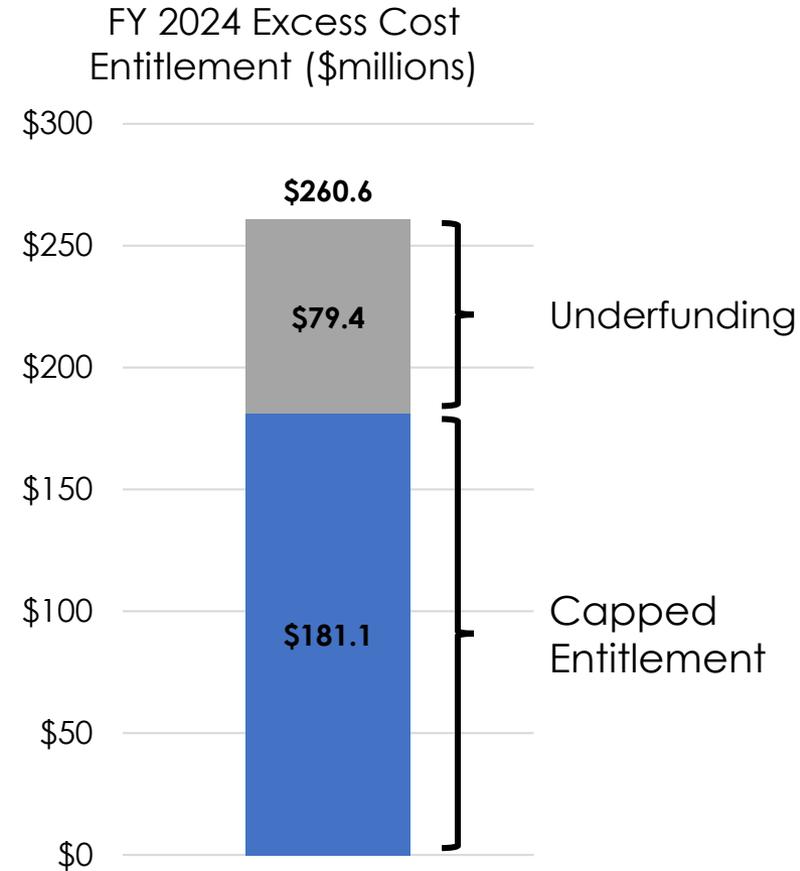
## Connecticut Students with Disabilities by School Year



Source: Connecticut State Department of Education. (n.d.). EdSight: Public School Enrollment. Available from <http://edsight.ct.gov/SASPortal/main.do>.

# How does Connecticut fund special education?

- Connecticut is one of the few states in the country that does not have a separate special education funding system.
- Connecticut's local public school districts primarily receive funding for students with disabilities from the ECS grant.
- Additionally, districts are partially reimbursed for extraordinary special education costs through the state's Excess Cost grant.
  - Excess Cost grant reimburses districts when expenditures for educating a student in special education are 4.5 times greater than the district's spending per pupil.
  - For FY 2024, the Excess Cost grant was not fully funded. The amount appropriated by the legislature was \$79.4 million less than what was needed to fully fund the grant.



# Special education funding in the ECS formula

- All of a town's resident students, including special education students, are included in the resident student counts used to calculate ECS grants.
- In 1995, the CT General Assembly increased the ECS foundation by \$911 to account for special education costs.
- According to the CT State Department of Education, approximately 20-25% of ECS funding is assumed to be attributed to special education expenditures.
- This is a problem because not only is \$911 not an adequate amount to support students with disabilities, the ECS formula is also not an equitable way to distribute funding for special education.
- The ECS formula does not take into account how many students with disabilities a district serves, the needs of these students, or the costs of their special education services.
- Additionally, the ECS formula does not include a weight (like the formula does for low-income students and multilingual learners) that provides additional state funding for each student who requires special education services.

Sources: Conn. Gen. Statutes ch. 172, § 10-262f.

Connecticut General Assembly, Office of Fiscal Analysis and the Office of Legislative Research. (2014). *CT Special Education Funding* [PowerPoint slides]. Hartford, CT: Author. Retrieved from [http://www2.housedems.ct.gov/MORE/SPED/pubs/OFA-OLR\\_Presentation\\_2013-01-23.pdf](http://www2.housedems.ct.gov/MORE/SPED/pubs/OFA-OLR_Presentation_2013-01-23.pdf).

WHERE CAN I FIND  
HAMDEN'S  
EDUCATION BUDGET?

# School District Budget Information

- Budget information should be available on the school district's website.
- Typically, this information can be found under a specific Budget or Finance section of the website, or under a section for the board of education.
- Along with funding and spending, district budgets usually cover:
  - Superintendent's Goals
  - Student Demographics
  - Budget Drivers
  - Budget Summary
  - Budget History
- Have a question about a school district's budget? Reach out to a board of education member!

# WHAT YOU CAN DO

# Participate at the Local Level

- Attend board of education meetings
  - [Board of education meeting listing](#)
- Submit public testimony at the board of education and city council during budget season
- Reach out to local decision-makers to ask questions, begin a conversation about education funding, or ask them to support state initiatives that will benefit Hamden Public Schools
  - The members of the board of education can be found [here](#), along with their contact information.
  - Members of the Legislative Council can be found [here](#), along with their contact information.

# Participate at the State Level

- Reach out to your State Representative
  - [Rep. Josh Elliot](#)
  - [Rep. Liz Linehan](#)
  - [Rep. Laurie Sweet](#)
  - [Rep. Mary Welander](#)
  - [Rep. Steve Winter](#)
- If you aren't sure who your Representative is, you can find out [here](#).
- Reach out to your State Senator
  - [Sen. Jorge Cabrera](#)
  - [Sen. Martin Looney](#)
- Not sure what to say? Reach out to us for helpful tips [here](#)!

# Stay Informed & Make Your Voice Heard



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TAKE ACTION

# APPENDIX

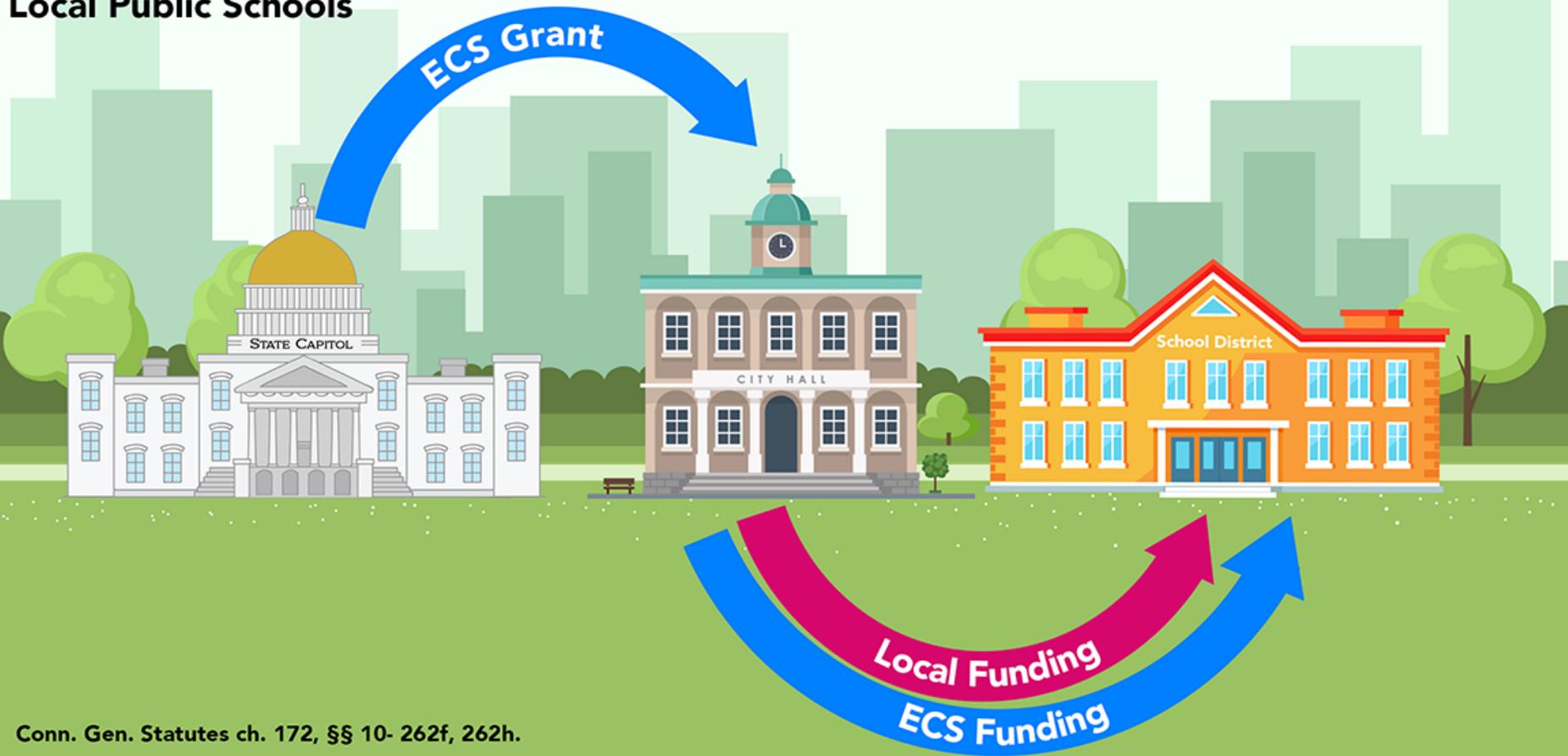
Connecticut's  
**10 different formulas**  
for funding public schools



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# Local and Regional School Districts (166 districts)

Local Public Schools



Conn. Gen. Statutes ch. 172, §§ 10- 262f, 262h.

# State Charter Schools (20 schools)

## State Charter Schools

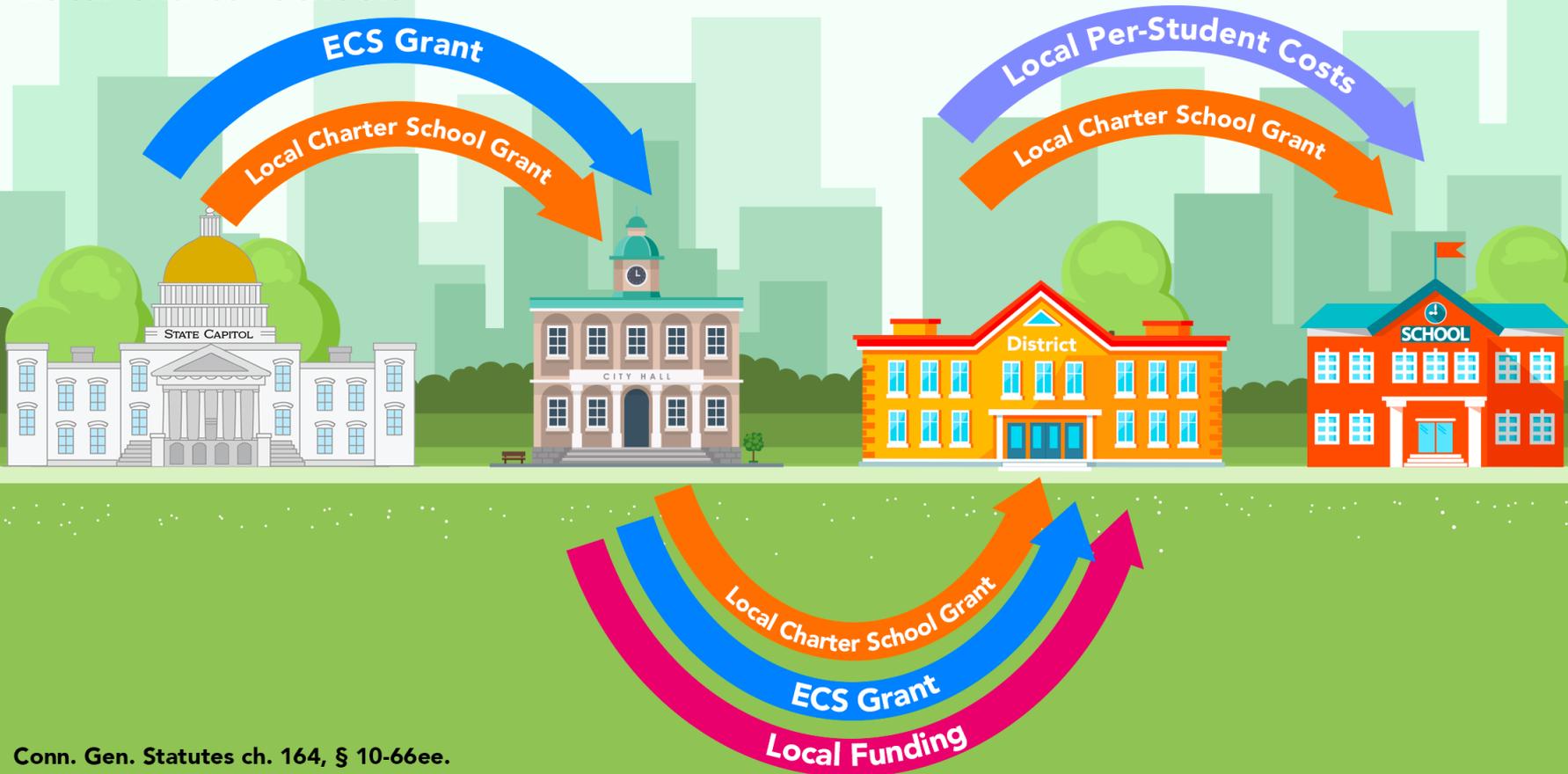


In FY 2025, state charter school students will receive the ECS foundation plus 56.7% of their full weighted funding based on their individual learning needs.

Conn. Gen. Statutes ch. 164, § 10-66ee.

# Local Charter Schools (1 school)

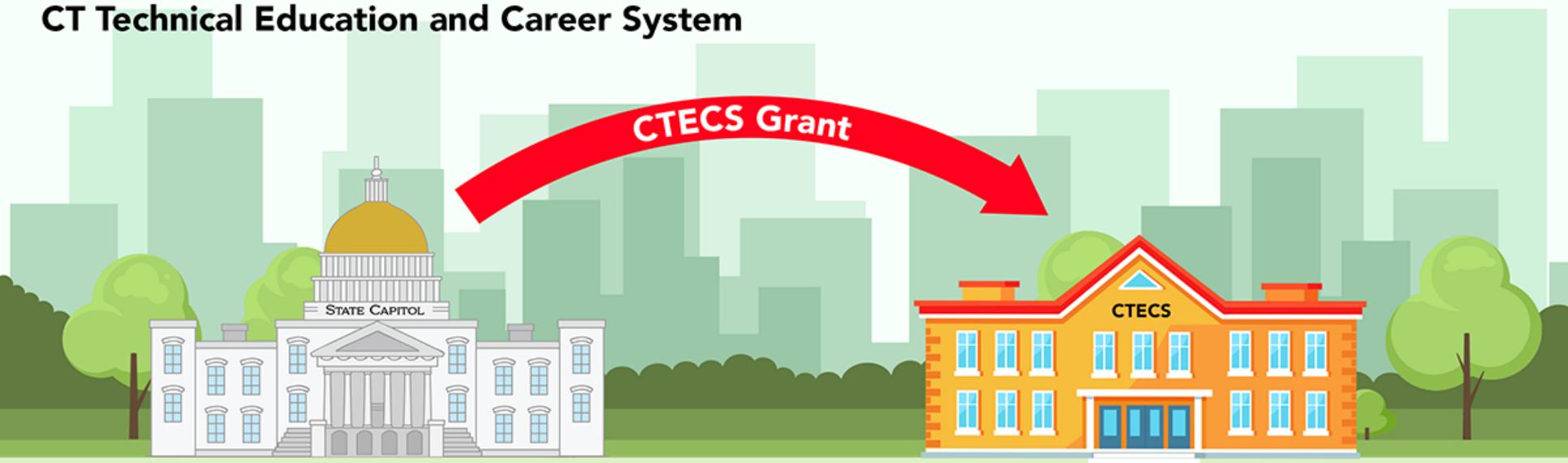
## Local Charter Schools



Conn. Gen. Statutes ch. 164, § 10-66ee.

# CT Technical Education and Career System (20 schools)

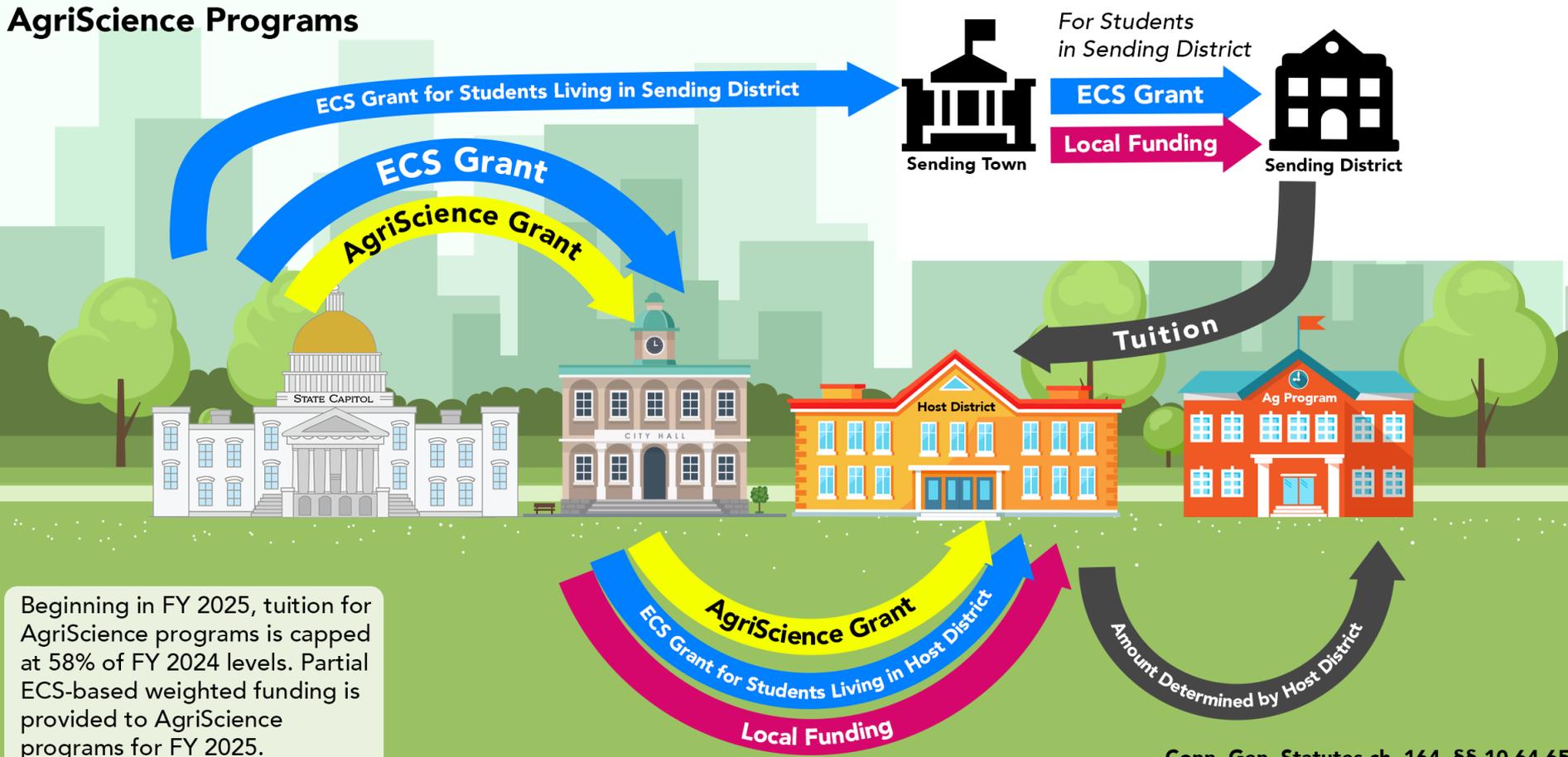
**CT Technical Education and Career System**



Conn. Gen. Statutes ch. 164, § 10-95.

# Agriscience Program (20 centers)

## Agriscience Programs

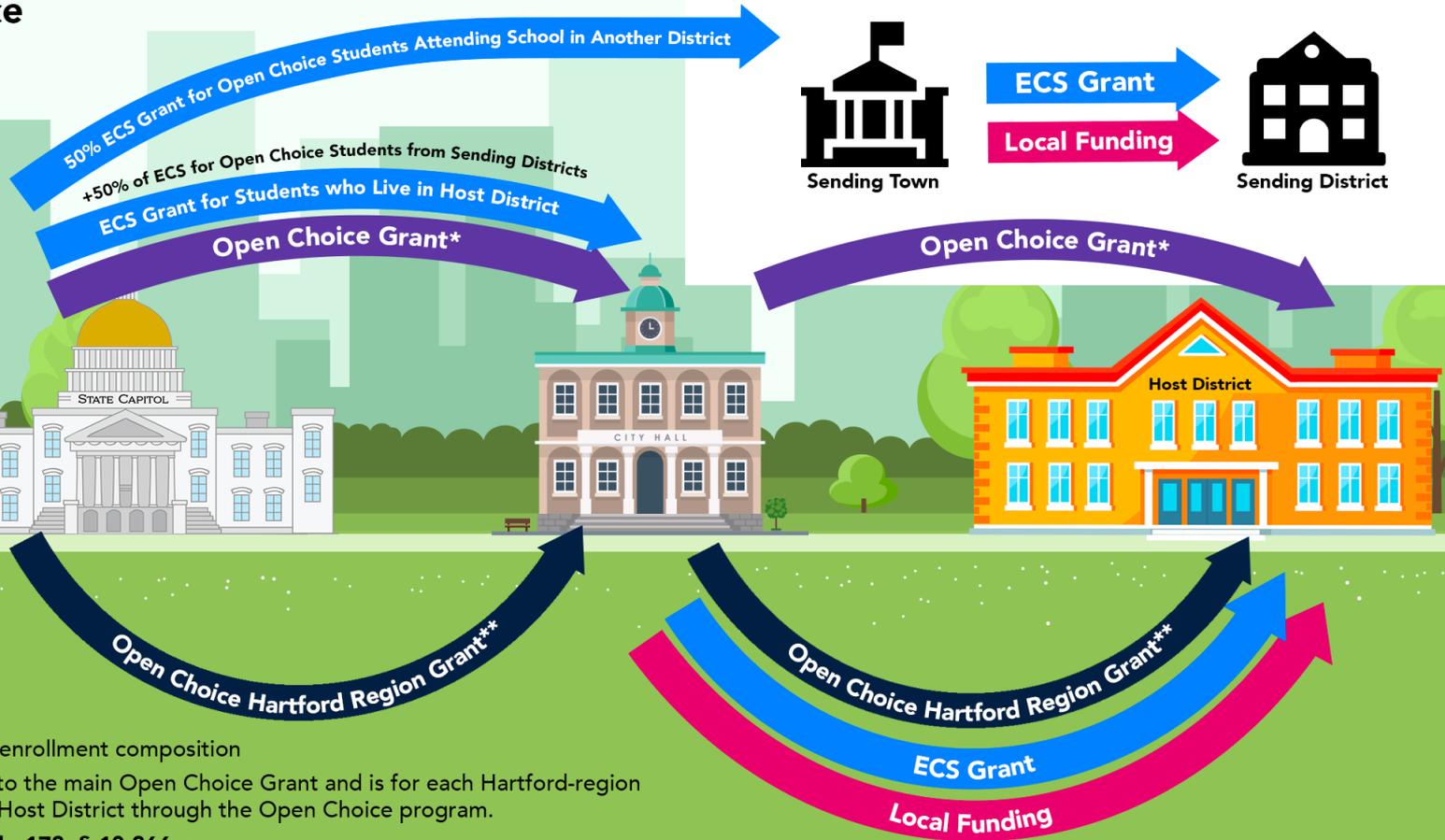


Beginning in FY 2025, tuition for Agriscience programs is capped at 58% of FY 2024 levels. Partial ECS-based weighted funding is provided to Agriscience programs for FY 2025.

Conn. Gen. Statutes ch. 164, §§ 10-64-65.

# Open Choice (47 participating districts)

## Open Choice



\* Amount depends on enrollment composition

\*\* Grant is in addition to the main Open Choice Grant and is for each Hartford-region student attending the Host District through the Open Choice program.

Conn. Gen. Statutes ch. 172, § 10-266aa.

# RESC Magnet School (Sheff) (18 schools)

Regional Educational Service Center (RESC)  
Magnet School (Sheff)

ECS Grant to Sending District



ECS Grant

Local Funding



Amount varies\*

TUITION

Beginning in FY 2025, tuition for magnet schools is capped at 58% of FY 2024 levels. Partial ECS-based weighted funding is provided to magnet schools for FY 2025.

Magnet School Grant

\*Amount depends on enrollment composition  
Conn. Gen. Statutes ch. 172, § 10-264I.

# RESC Magnet School (Non-Sheff) (12 schools)

Regional Educational Service Center (RESC)  
Magnet School (Non-Sheff)

ECS Grant to Sending District



Sending Town

ECS Grant

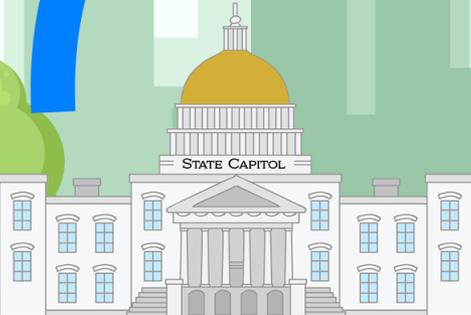
Local Funding



Sending District

Amount varies\*

TUITION



STATE CAPITOL



RESC

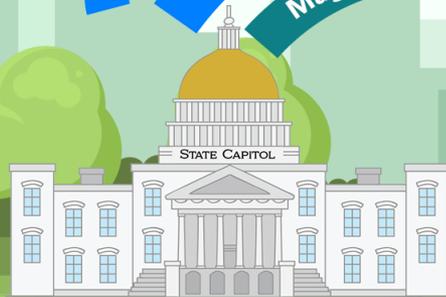
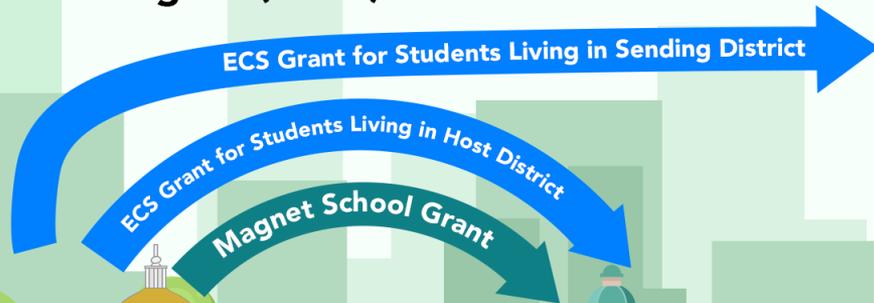
Magnet School Grant

Beginning in FY 2025, tuition for magnet schools is capped at 58% of FY 2024 levels. Partial ECS-based weighted funding is provided to magnet schools for FY 2025.

\*Amount depends on enrollment composition  
Conn. Gen. Statutes ch. 172, § 10-264I.

# Host District Magnet (Sheff) (20 schools)

## Host District Magnet (Sheff)

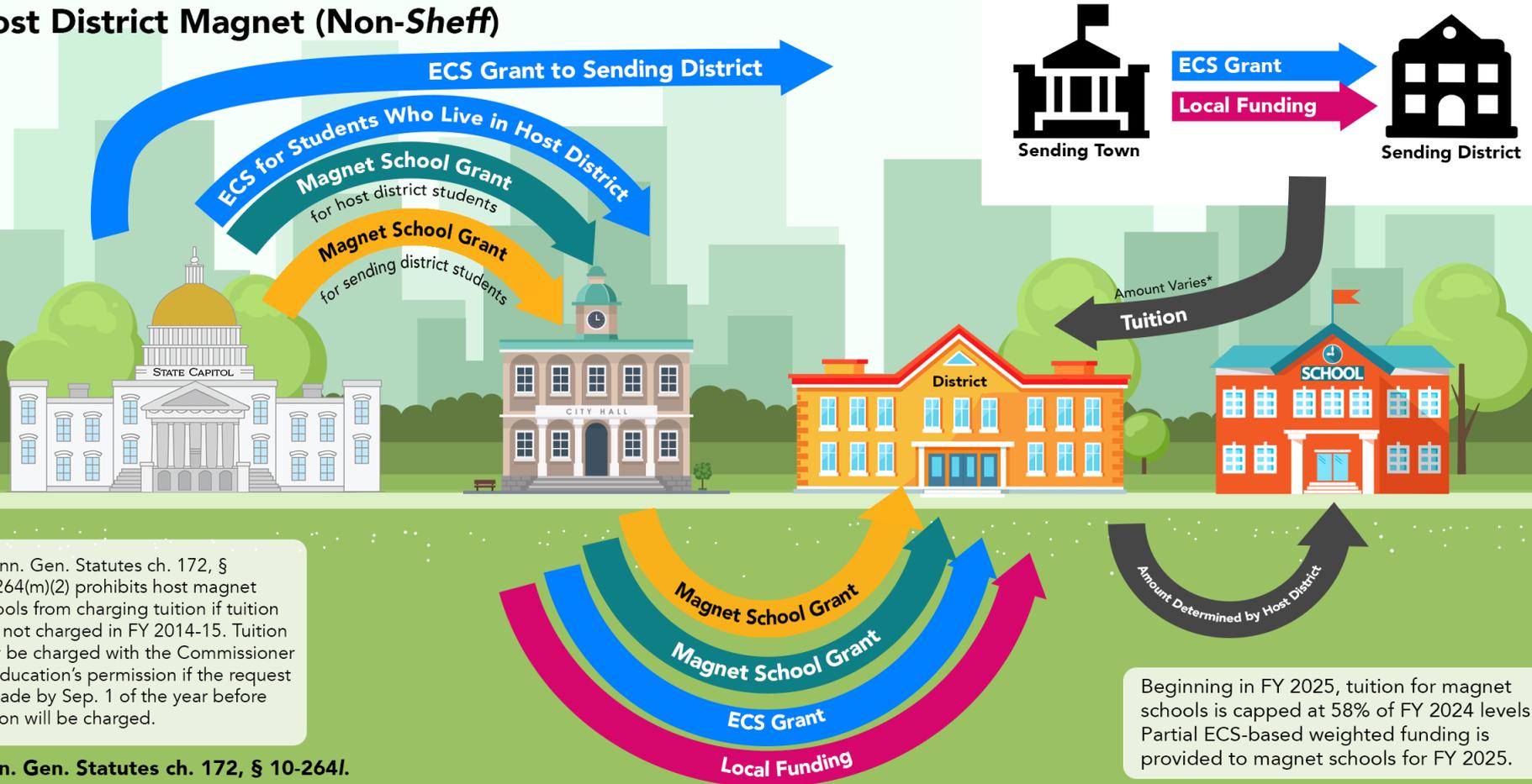


Partial ECS-based weighted funding is provided to magnet schools for FY 2025.

Conn. Gen. Statutes ch. 172, § 10-264I.

# Host District Magnet (Non-Sheff) (34 schools)

## Host District Magnet (Non-Sheff)



\*Conn. Gen. Statutes ch. 172, § 10-264(m)(2) prohibits host magnet schools from charging tuition if tuition was not charged in FY 2014-15. Tuition may be charged with the Commissioner of Education's permission if the request is made by Sep. 1 of the year before tuition will be charged.

Conn. Gen. Statutes ch. 172, § 10-264I.

Beginning in FY 2025, tuition for magnet schools is capped at 58% of FY 2024 levels. Partial ECS-based weighted funding is provided to magnet schools for FY 2025.