

IS FAIRFIELD SPENDING ENOUGH ON EDUCATION? UPDATED!

- 1. AN OFT-REPEATED ARGUMENT BY EDUCATION-SPENDING ADVOCATES GOES LIKE THIS:
 - Fairfield's wealth rank among CT towns has been stable at ~#20/169 (within a 16-22 range).
 - But Fairfield's per-pupil expenditure ("PPE") rank since 2000 has declined from #20 to #67.
 - Therefore, Fairfield's commitment to education has declined relative to other CT towns, and Fairfield can and should spend more on education.

2. THE PREMISES OF THIS ARGUMENT ARE TRUE, BUT ITS CONCLUSIONS ARE FALSE.

- It is true that Fairfield's state rank in PPE has dropped from #20 to #67 over the last 21 years (2000 to 2021), as <u>53 towns moved above Fairfield</u> and six dropped below, resulting in a net change in rank of 47. However, this decline in rank did not happen because those 53 towns increased their education spending more than Fairfield.
- It happened because there are significant <u>economies of scale</u> in education spending when fixed costs (e.g., for facilities, administrators, curriculum) are spread over more students, and when more students allow more optimal class sizes. This means that larger districts can provide comparable services at a lower cost per pupil than smaller districts. This also means that when enrollment is rising, PPE does not rise as much. And the reverse is true when enrollment is declining, there is strong upward pressure on PPE, particularly in small districts with only limited options to downsize their operations.
- Therefore, the real explanation for the decline in Fairfield's PPE rank is that <u>enrollments</u> <u>declined 28% on average in 53 mostly very small CT towns at a time when enrollments increased 21% in Fairfield (one of the largest school districts in the State with 9,441 students)</u>. Excluding the two towns with the largest 2021 enrollments (Milford at 5,426 and Hamden at 6,226), the other 51 towns on average had <u>only 933 students in 2021 (i.e., one-tenth the size of Fairfield)</u>, down 23% from their 2000 average of 1,209.
- 3. THEREFORE, THE DECLINE IN FAIRFIELD'S PPE RANK OVER THE LAST 21 YEARS DOES NOT MEAN ITS COMMITMENT TO EDUCATION IS DECLINING, AND IT DOES NOT MEAN THAT WE SHOULD BE SPENDING EVEN MORE ON EDUCATION.
 - For confirmation, it is instructive to look at how Fairfield did relative to towns that rank even higher in wealth (thus no major affordability problem), and have reasonably large enrollments that (like Fairfield's) increased rather than declined over this period, namely **Greenwich** (8,588, up 3%), **Westport** (5,275, up 14%), **Darien** (4,647, up 26%) and **New Canaan** (4,249, up 19%):
 - ➤ In 2000, Fairfield's PPE was 83% of Greenwich's PPE in 2021, it is 86%.
 - In 2000, Fairfield's PPE was **87%** of Westport's PPE in 2021, it is **89%**.
 - In 2000, Fairfield's PPE was 98% of Darien's PPE in 2021, it is 91%.
 - In 2000, Fairfield's PPE was 93% of New Canaan's PPE in 2021, it is 95%.
 - In 2000, Fairfield's PPE was **90%** of this group's average in 2021, it is **90%**.
 - Considering that Fairfield is not as wealthy as these other Fairfield County towns and that
 Fairfield has twice as many students (and thus greater scale economies) than three of them,
 there is no reason to believe based on these comparisons that Fairfield's commitment to
 education has declined or that it should be spending even more on education.

4. SO, HOW MUCH SHOULD FAIRFIELD SPEND ON EDUCATION?

As we have stated previously, Fairfield Taxpayer believes that we should spend as much on education as we can afford in order to provide the best education we can to our children.

Spending more than we can afford is not sustainable because either our tax rates will be too high or we will be forced to cut our spending on other public services too low (e.g., public safety, recreational facilities, roads). Either way, fewer people will choose to live here, and residential property values will suffer. Unless (improbably) there is an offsetting increase in new residential construction and/or in the value of commercial property, our tax base will decline. If our tax base declines, we will eventually have to cut spending on all our public services, including education.

Fairfield Taxpayer agrees emphatically with education advocates that good schools support property values in a town. However, we also know that, as with most things in life (e.g., sun, chocolate, apple pie and ice cream), we can also have too much of a good thing. This means that, at some point, spending too much on education, or on any other public service, also hurts property values by raising taxes to levels that are not affordable or competitive. The corollary to the oft-repeated observation that "people move into Fairfield because of our schools" is that "people will move out of Fairfield if our taxes are too high and/or if our other public services are inferior."

POSTSCRIPT – A BRIEF HISTORY OF MISINFORMATION

The bogus argument that the decline in our per-pupil expenditure (PPE) rank should be interpreted as a bad sign has its origins in early 2013 when former Supt. of Schools, David Title, and former (but then newly elected) BOE Chairman, Philip Dwyer, included in the BOE budget presentation for the first time a chart showing Fairfield's decline in PPE rank as a good sign that Fairfield's schools were becoming more and more efficient (completely ignoring the real reason PPE was rising much faster in all those small towns with declining enrollments than it was in Fairfield with its much larger and rising enrollment).

In early 2014, they repeated the claim that our decline in PPE rank was a <u>positive sign</u> of increasing efficiency ("FPS has become more efficient. We have moved from 23rd to 62nd in the state in Per Pupil Expenditures.").¹ However, at this point they decided that our decline in PPE rank relative to our stable wealth rank could also be used rhetorically as a <u>bad sign</u> that Fairfield was falling behind other CT towns in its commitment to education ("Over the past ten years Fairfield's state ranking in wealth has remained between 16th and 22nd; per pupil expenditures have declined from 23rd to 62nd.).²

In early 2015, they doubled down on the claim that our decline in PPE rank was a <u>bad sign</u> ("Over the past ten years, Per Pupil Expenditures statewide increased by 43% while Fairfield's increased by 26% [and] Fairfield moved from 24th to 69th in the state in Per Pupil Expenditures.).³ In their oral remarks, they became quite strident, describing the decline in Fairfield's PPE rank as a "Race to the Bottom." Dr. Title's exact words were: "If we keep this up, we will win the race to the bottom." Chairman Dwyer's comments were: "Where are we heading in Dr. Title's so-called Race to the Bottom, if in five years we

³ See page 15: <a href="https://boe.fairfieldschools.org/content/uploads/boe-archive/budget/2015-16/



¹ See page 32: 2014-15 Budget PresentationMAR2014.pdf (fairfieldschools.org)

² See page 4: 2014-15 Budget PresentationMAR2014.pdf (fairfieldschools.org)

are below the average of the state?" With reference to the earlier years, he said that "our ability to pay was [then] equal to our PPE." He then said that "ability to pay is not the same as willingness to pay," clearly implying that Fairfield could and should be spending substantially more on education, and that Fairfield taxpayers were being too tightfisted.

In early 2016, the budget presentation included a graph showing the decline in Fairfield's PPE rank and noting that: "Of the state's 169 cities & towns, Fairfield has moved from 20th to 81st in Per Pupil Expenditures over the past 10 years."⁴

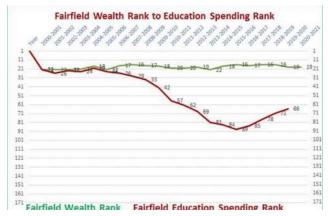
In early 2017, refreshingly, a new superintendent, Toni Jones, took office who did not ascribe to the "PPE Rank Bad" narrative and therefore did not include any references to it in her budget presentations for the two years she served in that role.

In early 2019, however, under a new superintendent, Michael Cummings, and a new BOE Chair, Christine Vitale, a table providing a side-by-side comparison of Fairfield's PPE and Wealth ranks showed up in the BOE budget presentation, and it has done so ever since.⁵

Fairfield Taxpayer has repeatedly refuted this "PPE Rank Bad" argument in a series of papers, beginning in early 2014, including: "You Can Fool Some of the People…"⁶; "A Race to the Bottom? We Don't Think So" ⁷; and "Here We Go Again… More Simplistic Comparisons of Our Education Spending to

Selected Southern Fairfield County Towns."8

However, like many superficially plausible arguments, it keeps turning up, particularly during the budget season from members of the public and Town boards and bodies. Among others, Robert Smoler, President of the Teachers' Union, recently invoked it in his endorsement of three candidates for the Board of Finance.9 It was also cited by one of those BOF candidates, and the graph on the right was posted on Facebook by one of his supporters.10



With Fairfield's enrollment now falling and its PPE rank rising fairly rapidly, perhaps this bogus argument will finally disappear. Over the last eight years, Fairfield's education spending is up 27%, its enrollment down 9%, and its per-pupil spending is up 40%.

¹⁰ https://www.facebook.com/kevinstarkeforfairfieldboardoffinance/posts/193767126214330/



⁴ See page 6: https://boe.fairfieldschools.org/content/uploads/boe-archive/budget/2016-17/2016-17 Board Budget Presentation04072016.pdf

⁵ See, for example, page 15 of the latest BOE Budget Book:

https://boe.fairfieldschools.org/content/uploads/2021/01/BOEBUDGETBOOK2-19-2021FinalForWebsiteMV-1.pdf

⁶ https://www.fairfieldtaxpayer.com/uploads/1/1/18/11185705/you can fool some of the people final2.pdf

⁷ RACE TO THE BOTTOM FINAL4 (fairfieldtaxpayer.com)

⁸ here we go again 1.22.18.pdf (fairfieldtaxpayer.com)

⁹ (16) Fairfield Education Association | Facebook "For more than a decade, town bodies have reduced the funding requests of the Board of Education over \$20 million . . . Those reductions dropped our per pupil spending from 29th in the state in 2007/2008 to 66th out of 169 towns today. The practical effect of those reductions are felt every day in our schools."

| TURES ata for 2020-21) | 2020-2021 Percentage Change | s Rank NCEP* Pupils NCEP Pupils | 42 22,582 211 150% -31% | 43 22,489 409 153% -26% | 44 22,480 588 158% -34% | 45 22,473 529 175% -28% | 46 22,448 387 198% -29% | 1 47 22,367 5,426 160% -27% | 48 | , 49 22,285 1,562 199% -26% | 50 22,116 518 170% -30% | 51 22,084 317 200% -39% | . 52 22,052 2,622 177% -32% | 5 53 22,044 1,250 142% -5% | . 54 22,039 894 191% -30% | 55 21,910 1,614 131% -20% | 56 21,901 | 59 21,688 4,545 152% -6% | 60 21,348 6,226 129% -9% | 1 61 21,345 1,068 125% -33% | 8 62 21,289 883 151% -21% | 63 21,220 1,557 141% -31% | 64 20,894 847 146% -1% | , 65 20,882 4,603 126% -5% | 66 20,821 1,359 179% -15% | 179% -28% | 67 20,781 9,441 115% 21% | | 24 24,304 | 32 | | 57 21,898 4,249 111% 19% | | |
|--|---|---------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-----------------------------|----------------|-----------------------------|-------------------------|-------------------------|-----------------------------|----------------------------|---------------------------|---------------------------|----------------|--------------------------|--------------------------|-----------------------------|---------------------------|---------------------------|------------------------|----------------------------|---------------------------|-----------------|--------------------------|----------------|-----------|----------------|----------------|--------------------------|----------------|--|
| JE PER PUPIL EXPE | st released unaudite | 1999-2000 | Rank NCEP* Pupils (\$) | 39 9,015 308 | 44 8,873 554 | 50 8,704 896 | 81 8,176 734 | 135 7,543 547 | 55 8,593 7,414 | 87 8,100 1,383 | 140 7,451 2,107 | 78 8,204 736 | 149 7,357 519 | 100 7,960 3,861 | 35 9,122 1,316 | 130 7,585 1,271 | 25 9,466 2,022 | 71 8,278 608 | 54 8,611 4,825 | 28 9,320 6,856 | 23 9,480 1,584 | 62 8,478 1,118 | 45 8,811 2,245 | 61 8,487 856 | 33 9,239 4,837 | 137 7,474 1,593 | | 20 9,683 7,826 | | 1 11,648 8,361 | 3 11,144 4,612 | 18 9,839 3,674 | 7 10,394 3,583 | |
| THAT MOVED ABOVE FAIRFIELD IN THE STATE BANKINGS OF PER PUPIL EXPENDITURES | rtment of Education; Jus | | Town Ra | 31 Franklin | 32 Chester | 33 Willington | | 35 Andover 1 | 36 Milford | East Haddam | 38 Windsor Locks 1 | 39 Ashford | 40 Voluntown 1 | 41 Branford 1 | 42 Easton | 43 Lebanon 1 | 44 Mansfield | 45 Barkhamsted | 46 Ridgefield | 47 Hamden | 48 Winchester | 49 New Hartford (| 50 Clinton | 51 East Granby (| 52 Middletown | 53 Derby 1 | Average | FAIRFIELD | | Greenwich | Westport | Darien | New Canaan | |
| AIRFIELD IN TH | Lowest Rank in 2020-21; Source: CT Department of Education; Just released unaudited data for 2020-21) | Percentage Change | Pupils | -51% | -44% | %09- | -31% | -37% | -42% | -34% | -32% | -36% | -21% | -43% | 7 %86- | -29% | -27% | -31% | -29% | -29% | -18% | 7 %8- | -26% | -41% | -32% | -35% | -44% | -28% | -21% | -19% | -45% | -28% | -5% | |
| D ABOVE E | in 2020-21; S | Percenta | NCEP | 250% | 240% | 200% | 251% | 709% | 207% | 178% | 176% | 173% | 173% | 173% | 240% | 181% | 180% | 180% | 188% | 202% | 161% | 221% | 192% | 192% | 192% | 161% | 203% | 212% | 145% | 145% | 193% | 195% | 163% | |
| T MOVE | est Rank i | 11 | Pupils | 121 | 236 | 129 | 661 | 239 | 168 | 320 | 352 | 120 | 333 | 217 | 368 | 168 | 949 | 493 | 259 | 1,052 | 2,295 | 8 | 645 | 363 | 993 | 179 | 231 | 2,478 | 238 | 1,046 | 823 | 1,117 | 3,679 | |
| | | | NCEP* | 32,572 | 30,293 | 28,463 | 28,043 | 27,857 | 27,455 | 26,605 | 26,172 | 25,347 | 25,346 | 25,346 | 24,449 | 24,428 | 24,421 | 24,421 | 24,395 | 24,275 | 23,772 | 23,618 | 23,502 | 23,476 | 23,476 | 23,280 | 23,002 | 22,980 | 22,937 | 22,937 | 22,832 | 22,824 | 22,651 | |
| 53 TOWNS | m Highe | | Rank | 9 | 7 | ∞ | 6 | 10 | 11 | 13 | 15 | 16 | 17 | 17 | 19 | 70 | 77 | 21 | 33 | 22 | 79 | 72 | 62 | 99 | 8 | 83 | 8 | 33 | 39 | 39 | 33 | 8 | 41 | |
| | (Listed from Highest to | | Pupils | 247 | 420 | 320 | 362 | 380 | 289 | 530 | 520 | 187 | 419 | 378 | 289 | 236 | 1,292 | 716 | 363 | 1,491 | 2,794 | 87 | 698 | 612 | 1,452 | 277 | 409 | 3,460 | 303 | 1,296 | 1,413 | 1,558 | 3,866 | |
| | | 1999-2000 | NCEP* | 9,303 | 8,913 | 9,484 | 7,979 | 9,011 | 8,929 | 9,584 | 9,469 | 9,290 | 9,290 | 9,290 | 7,184 | 8,678 | 8,726 | 8,726 | 8,460 | 8,035 | 9,091 | 7,357 | 8,056 | 8,032 | 8,032 | 8,926 | 7,579 | 7,371 | 9,347 | 9,347 | 7,789 | 7,745 | 8,624 | |
| | | | Rank | 53 | 43 | 22 | 86 | 40 | 41 | 21 | 24 | 30 | 30 | 30 | 153 | 52 | 47 | 47 | 64 | 95 | 37 | 149 | 90 | 93 | 93 | 42 | 131 | 148 | 56 | 56 | 111 | 116 | 23 | |
| | | | Town | Cornwall | Kent | Hampton | Westbrook | Chaplin | Scotland | Salisbury | No. Canaan | Warren | Goshen | Morris | Sherman | Colebrook | Durham | Middlefield | Bozrah | Old Saybrook | Bloomfield | Union | Essex | Bethlehem | Woodbury | Eastford | Hartland | Madison | Lyme | Old Lyme | Litchfield | East Windsor | Wilton | |
| | | | | 1 | 7 | ĸ | 4 | 2 | 9 | | ∞ | 6 | 10 | 11 | 17 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 70 | 21 | 22 | 23 | 74 | 22 | 76 | vei | 78 | 53 | 9 | |

