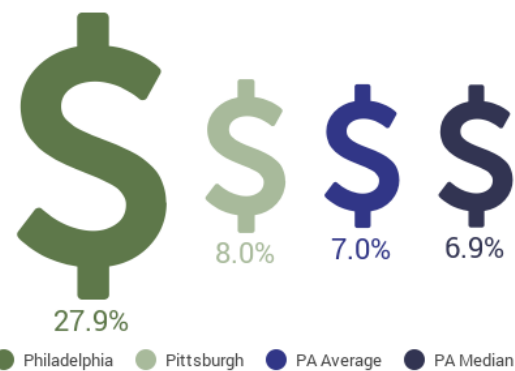




## How Well Does Philadelphia Support its Public Schools? A New Perspective

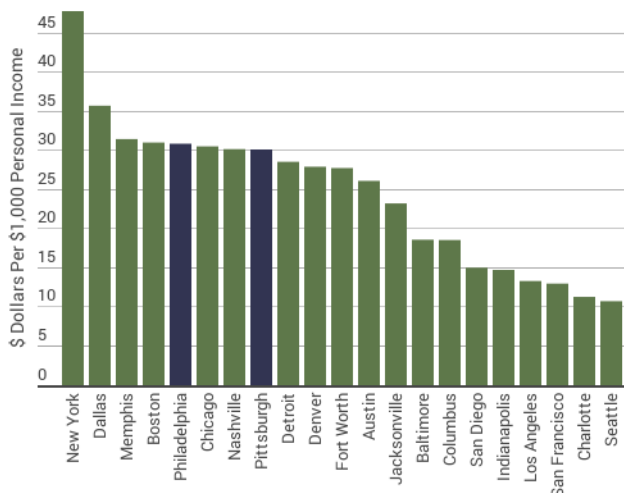
A policy brief published by the Center on Regional Politics in January 2016 approaches the question of how Philadelphia compares to other large cities in the US in terms of its level of tax effort, overall, as well as for particular functions, including K-12 public education. Critics of Philadelphia's support for schools have suggested that it is low compared to other Pennsylvania districts, including urban districts like Pittsburgh. Some recent research has been interpreted to support that notion, showing that Philadelphia ranks low on local support for schools when measured by the percentage of spending per pupil raised from

2011-2014 Growth in Local Revenue Contributions to School Districts



Only two of the state's 499 other school districts increased local support at a greater rate than Philadelphia over the 2011-2014 period.

Local Revenue Dollars Per \$1,000 Personal Income Spent on Schools (2011)



Source: US Census of Governments

On local education spending per \$1,000 personal income, Philadelphia ranks 5th with a rate of \$30.87 per \$1,000, while Pittsburgh ranks 8th at \$30.13.

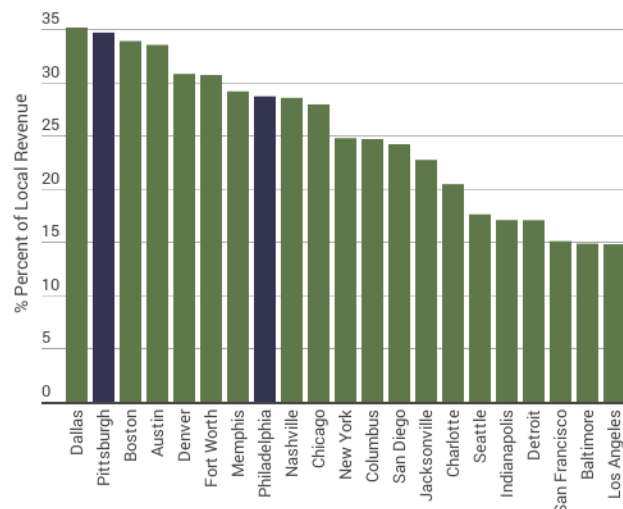
local taxpayers in FY 2010<sup>1</sup> and by the percentage of operational revenue per student raised from local taxpayers in the 2012-13 school year.<sup>2</sup> The brief summarized here aims to provide another way of looking at local tax support for schools, standardizing not by the number of pupils but rather by the city's population and its total personal income. Further, the brief analyzes the share of local spending that goes to public education, as compared to other functions.

The research presented in the brief relies on the latest comprehensive US Census data (FY 2011) for the 20 largest cities in the country (including Philadelphia) and for Pittsburgh (the second largest city in Pennsylvania). These data were used to develop measures of locally-funded spending on government functions and standardized this spending in two ways – one of these is per capita, and another is on a per \$1,000 personal income basis. These measures of tax effort provide a new perspective on how Philadelphia compares to other very large cities and Pittsburgh.

In a departure from the criticism and research findings noted above, the results here show that Philadelphia ranks in the top half on all three measures of local spending on education: dollars per capita spent on schools, dollars per \$1,000 income spent on schools, and percentage of total local spending that goes to schools. Philadelphia, which has more poverty, ranks higher than Pittsburgh on school support per \$1,000 of personal income but lower on revenues per capita and share of revenues dedicated to education, partly because Pittsburgh has a lower burden for county services, whose costs are shared with relatively affluent suburbs.

For all school, city, and county taxes, Philadelphia ranks 16th in per capita tax burden but 6th in taxes per \$1,000 personal income. The brief suggests deep poverty, low state aid, limited taxing options, and a large unfunded pension liability have resulted in a tax structure that impedes its ability to support schools and other services, and to attract and hold jobs.

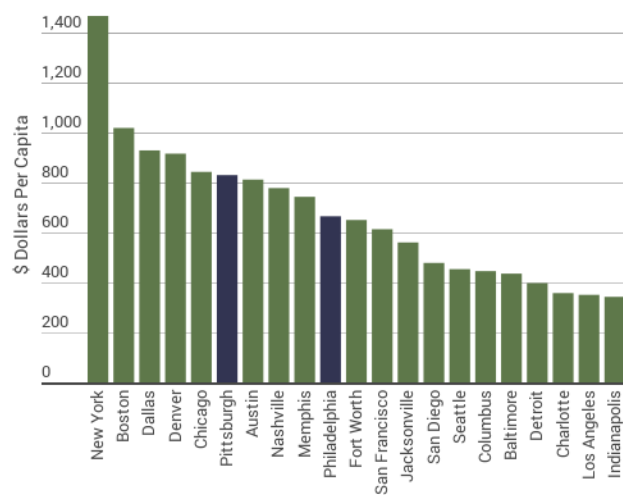
## Percentage of Local Revenues Spent on Schools (2011)



Source: US Census of Governments

On the share of local tax dollars dedicated to education, Philadelphia ranks 8th with a rate of 28.73%, while Pittsburgh ranks 2nd at 34.73%.

## Local Revenue Dollars Per Capita Spent on Schools (2011)



Source: US Census of Governments

On local education spending per capita, Philadelphia ranks 10th of the 21 cities with a rate of \$666 per capita, while Pittsburgh ranks 6th at \$831.

<sup>1</sup> Patrick Kerkstra, “Philly lags other cities in public school funding,” *The Notebook*, July 27, 2013. This report showed that Philadelphia ranked 79th of 100 large urban districts on percentage of spending per student raised from local taxpayers in FY 2010.

<sup>2</sup> *A School Funding Formula for Philadelphia, Lessons from Urban Districts across the United States*, Pew Charitable Trusts, January 2015. This report showed Philadelphia ranked 8th among ten large urban districts on percentage of operational revenues per student raised from local taxpayers in the 2012-13 school year.