Portland Public Schools, Plea for Funding Hike, Does Not Compute

Elvis Clark May 15, 2024

Oregon Capitol Chronicle reports, in an article linked to by Oregon Watchdog yesterday, that the superintendent of Portland Public Schools is arguing that Portland Public Schools (PPS) is among the school districts in the state being underfunded, implying it has no control over its own costs of operation. [Leaders of Oregon's largest school districts ask state to address 'education funding crisis' • Oregon Capital Chronicle]

But the facts simply do not support PPS' assertion that it is being underfunded by taxpayers and the state of Oregon. Here is a table of PPS finances I compile from PPS financial reports for budget years 2013 and 2023, available at Financial Reports (pps.net):

	Portland Public School Revenues (Millions of dollars)			
	Total	Total	Total	Total Revenue
Budget Year	Revenue	Property Tax Revenue	State provided funding	Less Local Option tax
2013	442	257	156	391
2023	908	419	272	761
annual increase (%)	7.5%	5.0%	5.7%	6.9%

PPS total revenue is increasing at a rate of 7.5% per year for the last ten years. Even its property tax revenues are increasing at a rate of 5% per year, with the help of a voter approved local operating levy. As for the amount chipped in by the state of Oregon, from other revenue sources, this amount is growing at 5.7% per year.

Nationally, Inflation according to the U.S Bureau Labor Statistics (BLS) grew 2.7% per year between the years 2013 and 2023. (You must remember that before the year 2022, U.S inflation was generally in a range of 2%, with some years even less than 2%.)

Oregon's inflation rate based on U.S Bureau of Economic Analysis data and the BLS CPI data can be estimated to be 3.4% for the same period (2013-2023), although the BEA data may be overly abstract and therefore maybe Oregon's inflation rate could be rounded up to 4%.

U.S Consumer Price Inflation	Oregon Implied Price Inflation
(Years 2013 through 2023)	(Years 2013 through 2023)
2.7%	3.4%

As these numbers demonstrate, by complaining about insufficient funding, PPS would seem to lack the ability to contain its own costs. Just recently PPS agreed to increase teacher salaries by 13.8% over three years, which works out to a rate of increase of 4.4% per year. [Portland schools resume classes as teachers union reaches tentative deal | K-12 Dive (k12dive.com).]

Consider also that total student enrollment at PPS has declined 5% since the year 2013, even declining a bit in 2023, a year after the state leaves covid lock downs. So, funding per student increases even faster than the PPS financial totals suggest.

PPS and others continually attack property tax limits, Measures 5 and 50, for PPS' lack of funding, and even more recently, it attacks the state government for a supposed lack of commitment to sufficient funding. The real problem seems to be the way in which the Oregon government, including the public school system including PPS, is designed. The state's public employee unions sit at the same bargaining table with the officials they help to elect, via union campaign donations and their army of self-interested union volunteers. In Oregon, the mice run the cheese factory.

This is why as a candidate for Oregon House District 41, I support the School Choice Initiative petition 6. Giving parents and children fuller freedom of choice in education, as School Choice would do, introduces the serious competition that conventional public schools need to become much more cost conscience and efficient than presently.