

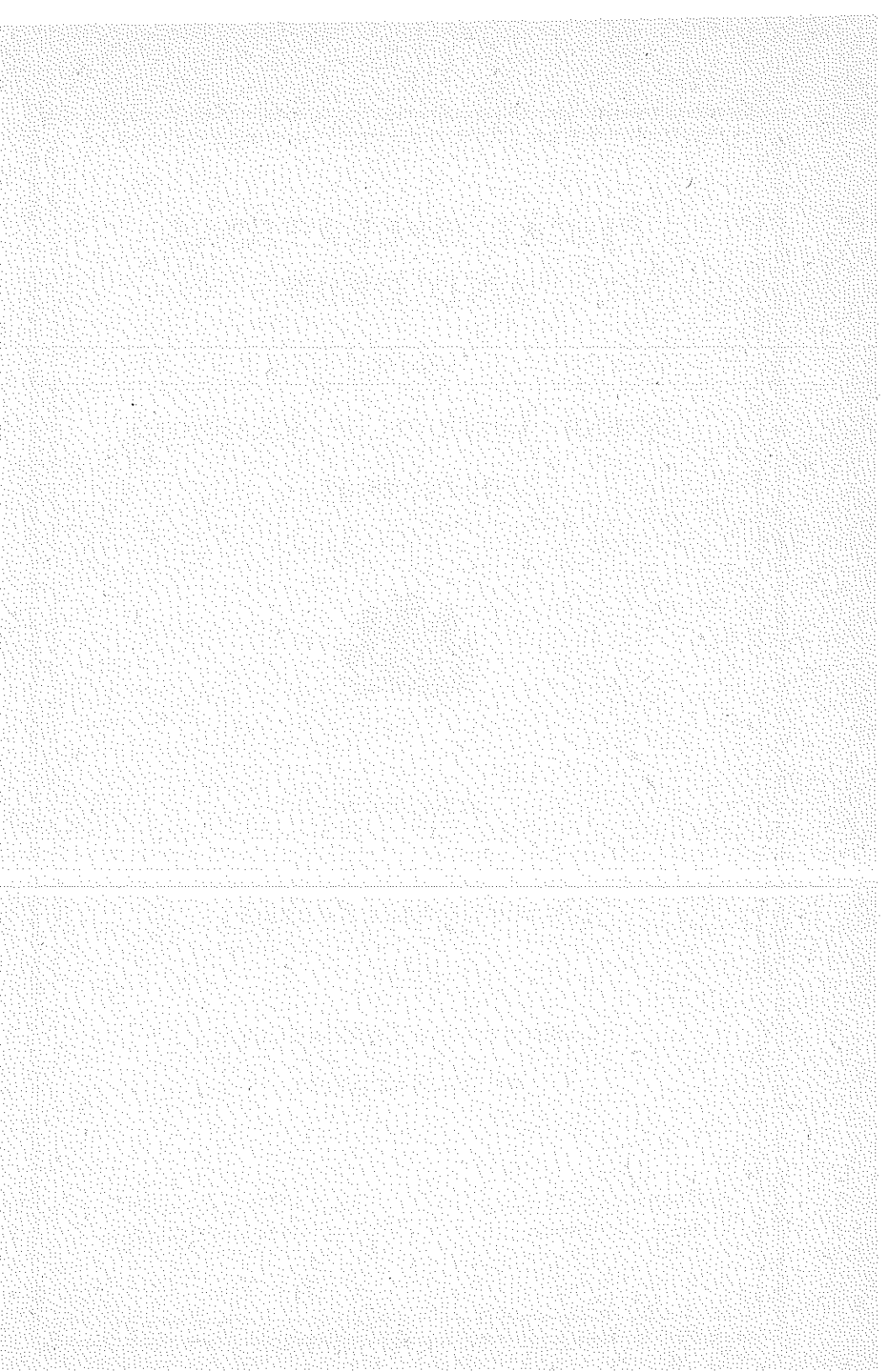
FISCAL OPERATIONS
AND DEBT
of the
SCHOOL DISTRICT OF SCRANTON
1919-1943



A Report to
THE JOINT STATE GOVERNMENT COMMISSION
(OF THE GENERAL ASSEMBLY)
by its
COMMITTEE ON CONTINUATION
OF THE TAX STUDY

REPORT No. 4
MAY 12, 1944

CAPITOL BUILDING
HARRISBURG, PA.



JOINT STATE GOVERNMENT COMMISSION
OF
THE GENERAL ASSEMBLY

(Created in 1937, P. L. 2460, as last amended 1943, P. L. 13)

"A continuing agency of the General Assembly to undertake studies and develop facts, information and data on all phases of government for the use of the General Assembly and Departments and Agencies of the State Government."

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LETTER OF TRANSMITTAL

To the Members of the Joint State Government Commission of the
General Assembly of Pennsylvania:

Under authority of the Act of July 1, 1937, P. L. 2460 (Act creating Joint State Government Commission), as last amended by the Act of March 8, 1943, P. L. 13, we submit herewith a Report covering twenty-five years of the Fiscal Operations and Debt of the School District of Scranton.

LLOYD H. WOOD, *Chairman,*
Committee on Continuation
of the Tax Study.

May 12, 1944.

FOREWORD

This report is the fourth of a series of studies to be published in 1944 by the Joint State Government Commission through its Committee on Continuation of the Tax Study. This particular report, the third of several covering a quarter of a century of the fiscal operations and debts of the School Districts of the Commonwealth, constitutes a survey of twenty-five years of the Fiscal Operations and Debt of the School District of Scranton, the largest second-class School District of the Commonwealth. The first two reports in the school series covered the fiscal operations and debts of the two first-class School Districts, i.e.—of Philadelphia and Pittsburgh, over the past quarter century.

These three studies will be followed by a survey of eleven selected School Districts of the Commonwealth—mining, industrial, and agricultural. The final reports in this series of studies of the School Districts of the Commonwealth will include an over-all survey of a quarter of a century of the combined fiscal operations and debts of all the School Districts, together with a comprehensive analysis of State and Federal relations to education over the past twenty-five years.

Each report surveys the revenues, expenditures, surpluses, deficits, and debts of these important political subdivisions of the Commonwealth. The reports are being published separately because of the vital importance of each to the area surveyed.

The significance of these School District studies is clearly indicated by the fact that in the school year 1941-1942 the total amount disbursed by the 2546 School Boards of the Commonwealth aggregated \$221,450,066, of which \$45,405,097 or 20.5 percent was contributed by the Commonwealth through grants, \$1,139,050 or 0.5 percent was contributed by the Federal government, and the balance, \$174,905,919 or 79 percent of the total was raised through tax levies, etc. by the individual School Districts for the support of their operations.

The school year 1941-1942 is the latest year for which the statistics of total disbursements by all the School Boards of the Commonwealth are available. Assuming that such disbursements for 1943-1944 continued, in all other respects, at the same level as in 1941-1942, the total disbursements for the school year 1943-1944 would be increased by \$12,150,000, which represent additional state funds appropriated by

the General Assembly for the purpose of increasing teachers' salaries in all Districts. On this basis, total disbursements by all School Boards for 1943-1944 would be \$233,600,066, of which \$57,555,097 or 24.6 percent would be contributed by the Commonwealth, \$1,139,050 or 0.5 percent by the Federal government, and \$174,905,919 or 74.9 percent by the individual School Districts from local revenues, etc.

These figures for 1943-1944 contrast sharply with those for 1930-1931, when the total amounts disbursed by the School Districts in the Commonwealth aggregated \$215,426,010, of which \$27,278,987 or 12.7 percent was contributed by the Commonwealth, \$452,640 or 0.2 percent by the Federal government, and \$187,694,383 or 87.1 percent by the School Districts.

The total disbursements by all the School Districts of the Commonwealth as given do not include many substantial items of expenditure by other agencies for public school purposes. In addition to State grants, included in the disbursements by the School Districts, the Commonwealth directly contributes large sums for the following purposes: State Share of Teachers' Retirement Fund Contributions, Administrative Costs of the Department of Public Instruction, Salaries and Expenses of County School Superintendents, and Support of Specialized Schools for the Blind, Deaf, and Dumb, and for Industrial Education, etc. The over-all costs of education in the Commonwealth will be considered in a subsequent survey of State-local relations to education.

The Joint State Government Commission, through its Committee on Continuation of the Tax Study, has undertaken the study of the various financial and administrative problems of the Commonwealth. As stated in its first report on The Debt of the Commonwealth and its Local Subdivisions, dated December 16, 1943, "future studies will deal with trends in expenditures and revenues by functions, departments, and agencies of the Commonwealth, as well as with the growth in the number and burden of taxes during the last decade. . . ." Upon completion of this series of studies of the School Districts, the Committee will undertake similar surveys of fiscal operations, debts, and taxes of the other political subdivisions of the Commonwealth—the cities, the counties, the boroughs, and the townships. Finally, the Committee will, in due course, submit a survey of twenty-five years of fiscal operations of the Commonwealth itself.

These various studies will contribute vitally in the development of the essential background and statistical data necessary for a comprehensive understanding of the fiscal affairs of the Commonwealth, upon which the Commission proposes to base its recommendations to the General Assembly for a constructive revision of the entire tax and fiscal structure of the Commonwealth.

The Joint State Government Commission, therefore, is concerned with the over-all costs of government of all the political subdivisions of the Commonwealth, as well as with those of the Commonwealth itself, in the preparation of its recommendations for revision of the tax structure. It is hoped, also, that these various studies will contribute substantially to the permanent records of the Commonwealth. The surveys of this Commission should be distinguished from those of other official agencies relating to the methods of allocation of State revenues to political subdivisions and the practices of these political subdivisions in making their expenditures.

The Committee desires to express its appreciation to Dr. Francis B. Haas, Superintendent of Public Instruction of the Commonwealth, and to the officials of the School District of Scranton for their generous assistance and cooperation with the Committee.

The Commission and its Committee on Continuation of the Tax Study again express to the Pennsylvania Economy League their great appreciation of the assistance of the technical staff of its Scranton office in the development of the factual data for this report.

IRA T. FISS, *Chairman*

Joint State Government Commission

LLOYD H. WOOD, *Chairman*

Committee on Continuation of the Tax Study.

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FISCAL OPERATIONS AND DEBT OF THE SCHOOL DISTRICT OF SCRANTON 1919—1943

THE SCHOOL DISTRICT OF SCRANTON

The present School District of Scranton, largest of the second-class districts of the Commonwealth, was established under the School Code, Act of May 18, 1911 (P. L. 309), as a political subdivision of the Commonwealth. It is governed by a Board of nine School Directors, elected at large by the voters of the City of Scranton. The Board, in addition to its general administrative powers and duties, is empowered by the General Assembly to levy taxes on real estate and, within prescribed limits, to issue bonds and create debt.

The power to levy taxes is restricted by Section 537 of the School Code, as amended on May 11, 1921 (P. L. 508, Sec. 1), to 20 mills on the dollar in all second-class school districts. However, Section 1210 of the Code, as amended May 23, 1923 (P. L. 328), virtually nullifies this limitation. Under the provisions of Section 1210 second-class school districts are authorized and directed to levy an annual tax sufficient to pay minimum salaries and increments of the teaching and supervisory staff prescribed by law, even though such tax would cause the total tax levy to exceed 20 mills. The 1943 tax rate of 24 mills for the School District of Scranton illustrates the ineffectiveness of the previous limitation. In addition, second-class districts may levy a per capita tax of not less than \$1.00 and not more than \$5.00 on all persons 21 years of age and over.

Taxes on real estate levied by the Directors of the School District of Scranton are based upon valuations certified to it by the Board of Assessments and Revision of Taxes of Lackawanna County. This Board is appointed by the County Commissioners of Lackawanna County under Act of June 26, 1921 (P. L. 1379). It also appoints assessors who determine the valuations, subject to approval by the Board.

The borrowing powers of school districts are limited by Article IX, Section 8, of the State Constitution to 7 percent of the assessed valuation of taxable real property. School districts are not permitted to incur debt in excess of 2 percent of assessed valuations without the

consent of the voters. These constitutional limitations are further implemented by the Municipal Borrowing Law of June 25, 1941 (P. L. 159).

This law provides that, to arrive at the figure for the net legal debt, the revenues applicable within the current fiscal year to the reduction of principal may be deducted from the amount of bonds outstanding.

The following tabulation shows the relationship of the net debt of the School District of Scranton, as of July 5, 1943, to the debt limits discussed above:

NET DEBT OF THE SCHOOL DISTRICT OF SCRANTON

	Non-Electoral Indebtedness	Total Indebtedness
Bonds Outstanding.....	\$2,493,000	\$5,925,000
Less Revenues Applicable According to Law.....	220,000	272,000
	\$2,273,000	\$5,653,000
Less:		
Cash in Sinking Fund..... \$88,406		
75% of Delinquent Taxes not included in Current Budget..... 1,300,968	1,389,374	1,389,374
Net Legal Debt.....	\$883,626	\$4,263,626
Debt Limitation of Assessed Valuations of \$97,684,870.....	1,953,697	6,837,940
Remaining Debt Incurring Margin.....	\$1,070,071	\$2,574,314

The operations of the fiscal affairs of the School District of Scranton cannot be properly understood without a review of the economic conditions of the community during the past quarter century.

Scranton for many years has been the most populous city in the anthracite region. The bulk of its business activity, its employment, and its wealth were due principally to production of anthracite. During World War I coal production in the Scranton area increased tremendously. The initial post-war depression caused some reduction in production and employment of the anthracite industry which culminated in a serious strike in 1922. At this point production dropped almost fifty percent below what it had been only four years previously. Settlement of the strike brought three years of continued prosperity to the area until 1925, when a second strike caused another serious drop in production, employment, and business activity. The area has never fully recovered to its earlier level of prosperity. Scranton and its immediate vicinity were further seriously hurt in subsequent years by the movement of mining operations to the southern part of the anthracite

area of Pennsylvania, where coal was not only more plentiful, but more easily and more cheaply mined.

For a short time before, but more particularly since, the entry of the United States into World War II, there has been an ever-increasing emigration from Scranton to the more active war production centers. Despite vigorous efforts to offset this movement, Scranton has been going through the throes of conversion from a city supported almost entirely by a single industry to one of varied industrial activities.

During the years under study, the population of the City of Scranton, contrary to the nation-wide trends, varied as follows:

POPULATION TRENDS 1920 — 1940 (INCLUSIVE)

1910.....	129,867
1920.....	137,783
1930.....	143,433
1940.....	140,404

Recent United States Government figures, based on ration book registrations, reveal drastic decreases in Scranton's population since the current war began:

INDICATIONS OF RECENT POPULATION TRENDS

Book No. 1 May, 1942.....	120,623
Book No. 2 February, 1943.....	112,992
Book No. 4 October, 1943.....	107,302

Some of this drop, of course, is caused by the induction into the armed services of approximately 10,000 residents of the City.

These serious changes in the population of Scranton are reflected in comparable changes during this period in assessed valuations of real property, chief source of the School District's tax revenues. Tax rates showed continuous increases during the entire period with the exception of temporary decreases during the depression years. Because the District depends on real estate taxes for most of its revenues, its income fluctuates with the changes in assessed valuations and tax rates.

The preparation of the budget and operation of the School District of Scranton is greatly complicated by that provision of the uniform assessment and taxation Act of April 26, 1935 (P. L. 90) amended by Act of July 2, 1937 (P. L. 2791), under which all political subdivisions within the City of Scranton function, which requires the mailing of a single tax statement on or before January 15. This means that the School Directors must prepare a budget six to eight months in advance of the school year for which it is intended. It also means that a large portion of the taxes for the next fiscal year are received some months

in advance and are used for the operation of the District in that same period instead of the one for which they were received.

Revenue receipts were also affected by State subsidies which varied from year to year. The amount received from this source in the school year ending June 30, 1919 was \$109,745 and increased in 1943 to \$302,282. In 1919 the State subsidies constituted 9.8 percent of total revenue receipts and in 1943, 11.5 percent. For the entire 25-year period (1919 to 1943) State subsidies amounted to \$7,306,340 or 11.9 percent of total current revenues.

During the 25-year period the Scranton District received Federal P.W.A. grants of \$537,165 for capital outlays. These grants were 5.4 percent of the total of \$9,893,811 expended for capital outlay purposes during the period.

Over the 25-year period the District spent from all sources \$70,976,032, as shown below:

EXPENDITURES 1919 — 1943¹

Purpose of Expenditure	Amount	Percent of Total
Operating Expenditures.....	\$51,966,418	73.2
Debt Service—Principal.....	4,091,723	5.8
Debt Service—Interest.....	5,024,080	7.1
Capital Outlay.....	9,893,811	13.9
Total Expenditures.....	\$70,976,032	100.0

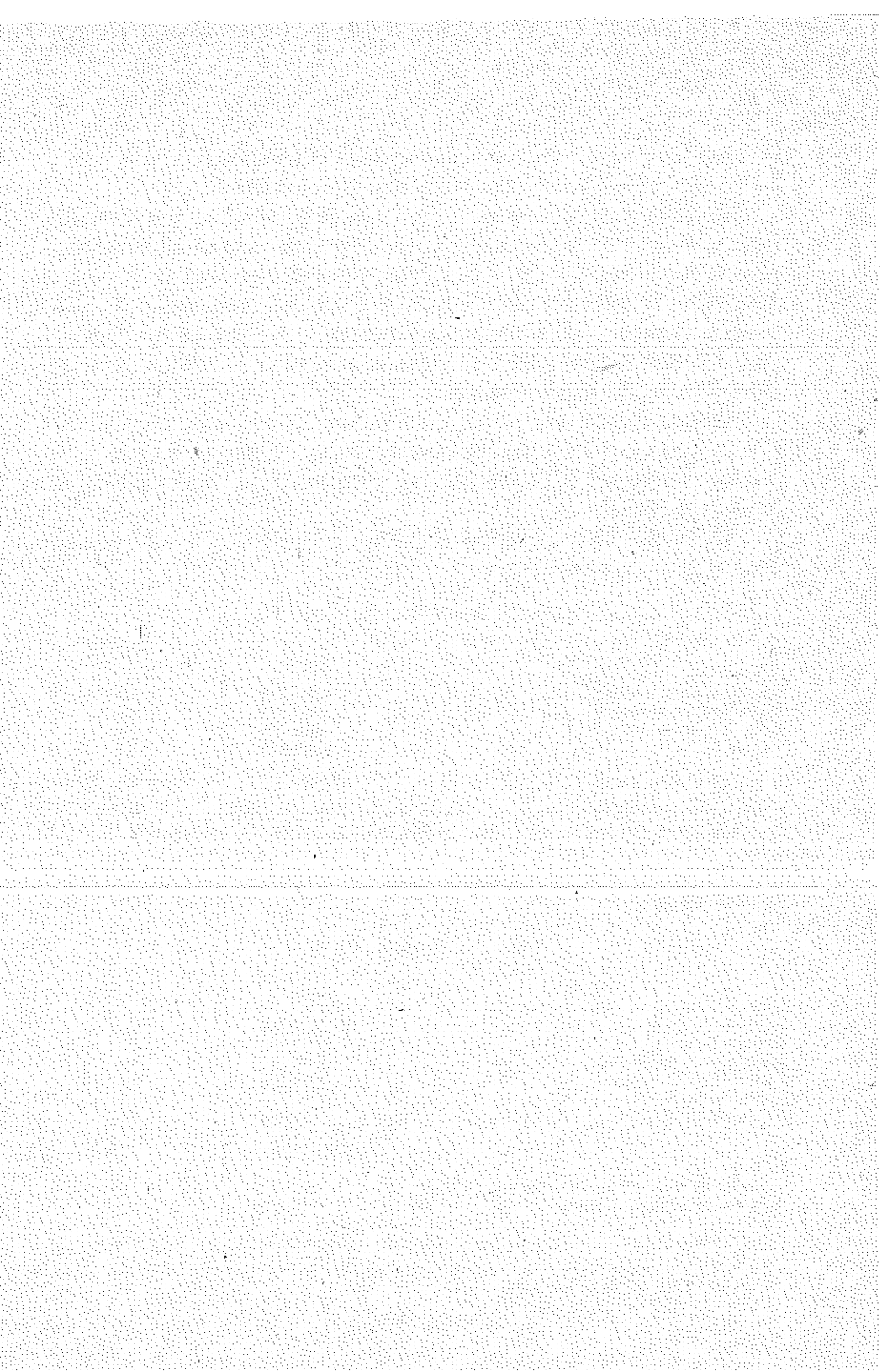
¹ Except where otherwise specified, when a range of years is given the years are inclusive.

To meet these expenditures funds were provided from the following sources:

REVENUES 1919 — 1943

Source	Amount	Percent of Total
Revenue Receipts.....	\$61,482,250	86.6
Bonds (Ordinary).....	7,882,000	9.8
Delinquent Tax Bonds.....	1,050,185	2.8
Federal P.W.A. Grants.....	537,165	0.8
Premium on Bonds.....	86,756	0.1
Transfers, etc.....	59,885	0.1
	\$71,098,241	
Less:		
Decreases in Warrants Outstanding. \$52,170		
Increases in Cash Balance..... 70,039 ¹	122,209	-0.2
Total.....	\$70,976,032	100.00

¹Reconciled for shortage of \$32,989.25.



FINANCIAL OPERATIONS OF THE SCHOOL DISTRICT OF SCRANTON 1919—1943

Changing economic conditions in the Scranton area had a material effect on the fiscal operations of the School District. Fluctuations in revenues and in school costs produced wide variations in operations within the period.

During 15 years of the past quarter century current expenditures, including debt charges, were less than current revenues, resulting in annual operating surpluses, while in 10 years annual expenditures exceeded revenues, creating annual deficits (See Tables I and II). These deficits or surpluses, while caused by a combination of several factors, were due primarily to changes in pupil enrollments, numbers and salaries of teachers, and tax yields.

Although economic conditions of Scranton did not correspond to those of the country as a whole, generally speaking, however, they were affected to a degree by national trends. Accordingly, this analysis is divided into three economic periods. The first period covers the years 1919 to 1930 (inclusive) and presents a post-war pattern of reconversion and temporary depression, closely followed by 10 years of prosperity. The second period (1931 to 1939 inclusive) covers the most serious depression in history. The final period (1940 to 1943 inclusive) covers the current war period.

A—PERIOD OF EXPANSION—1919—1930

EXPANSION OF SCHOOL PLANT

The growth of the community during the first World War, accompanied by increased pupil enrollment and change in educational methods, required major increases in the physical plant during this period.

Total capital outlays between 1919 and 1930 were \$5,853,605 or 59.2 percent of the total amount spent for this purpose during the

entire 25-year period. Of these capital outlays \$1,772,447 or 30.3 percent came from current revenues and \$4,081,158 or 69.7 percent from the sale of bonds. These funds were used for alterations, additions, and furnishings to high schools, for capital expenditures and deferred maintenance covering a number of elementary school buildings, and for construction of one junior high school.

The increase in pupil enrollment was primarily responsible for the growth of the school plant. Average daily attendance of day-school pupils rose from 19,112 in the 1920¹ school year to 24,034 in 1930, an increase of 25.7 percent.

CHANGES IN PUPIL ATTENDANCE, NUMBER OF TEACHERS, AND PUPIL-TEACHER RATIO—1919—1930

The changes in average daily attendance for the three major classes of pupils between 1920¹ and 1930 are shown below:

AVERAGE DAILY ATTENDANCE

Type of School	1920		1930		Percent of Increase
	Attendance	Percent of Total	Attendance	Percent of Total	
Elementary	17,157	89.8	18,949	78.8	160.1
Junior High . . . . .	.....	.....	1,495	6.2	
Senior High	1,955	10.2	3,590	15.0	
Total	19,112	100.0	24,034	100.0	25.7

¹The figures on average daily attendance and numbers of teachers for the school year 1918-19 are not available.

The establishment of the junior high school in the school year 1924-1925 was a material factor in the sharp increase in high school enrollment.

The increase in pupil enrollment was accompanied by increases in numbers of teachers from 578 in 1920 to 827 in 1930. This increase of 43.1 percent in number of teachers compared with an increase in average daily attendance of only 25.7 percent during the same period.

NUMBER OF TEACHERS

Type of School	1920		1930		Percent of Increase
	Number of Teachers	Percent of Total	Number of Teachers	Percent of Total	
Elementary.....	505	87.4	638	77.2	} = 158.9
Junior High.....	.....	.....	65	7.8	
Senior High.....	73	12.6	124	15.0	
Total.....	578	100.0	827	100.0	43.1

Because the increase in numbers of teachers was greater than that in pupil attendance, the pupil-teacher ratio showed a substantial decrease between 1920 and 1930.

PUPIL-TEACHER RATIO

Type of School	1920	1930	Percent of Decrease
Elementary.....	33.9	29.7	} = 9.4
Junior High.....	.....	23.0	
Senior High.....	28.1	28.9	
Total.....	32.0	29.0	9.4

The proportionately greater increase in numbers of teachers than in pupils in elementary grades accounted for the decrease in the pupil-teacher ratio for those grades. Although senior high schools showed an increased pupil-teacher ratio, the introduction of the junior high school, where the pupil-teacher ratio was much lower, caused a decline in the pupil-teacher ratio for all high schools to 27 for 1930 compared with 28.1 in 1920. The total pupil-teacher ratio declined to 29 in 1930 from 32 in 1920, a decrease of 9.4 percent.

COSTS OF CONDUCTING SCHOOLS—1919—1930

The increases in plant, attendance, and number of teachers during this period were the major factors responsible for the sharp rise in operating expenditures. In 1919 operating expenditures were \$932,572. In 1930 they increased to \$2,375,781, an increase of 154.8 percent compared with an increase of only 25.7 percent in pupil attendance and an increase of only 43.1 percent in the number of teachers. Reduced

to a per-pupil basis, this represents an increase from \$48.80 per day-school pupil in 1919 to \$98.85 in 1930, an increase of 102.6 percent.

The following tabulation of all expenditures by the General Fund of the District between 1919 and 1930 shows the increase in the major expenditures and the percentage of each class to the total:

GENERAL FUND EXPENDITURES

Purpose of Expenditure	1919		1930		Percent of Increase
	Amount	Percent of Total	Amount	Percent of Total	
Cost of Instruction	\$688,794	65.6	\$1,816,731	66.0	163.8
Operation and Maintenance of Plant	175,663	16.7	334,078	12.1	90.2
Other Operating Expenditures	68,115	6.5	224,972	8.2	230.3
Operating Expenditures	\$932,572	88.8	\$2,375,781	86.3	154.8
Retirement of Debt	\$30,008	2.9	\$ 71,416	2.6	138.0
Interest and State Tax	73,642	7.0	250,752	9.1	240.5
Capital Outlays	13,759	1.3	54,806	2.0	298.3
Total Expenditures	\$1,049,981	100.0	\$2,752,755	100.0	162.2

Capital outlays financed from current revenues showed the greatest proportionate increase. Interest and State tax on debt also showed a substantial increase. The greater increase in interest and State tax on debt than in retirement of debt indicates growth in outstanding debt and a slower rate of repayment of debt.

Instruction costs increased 163.8 percent during this period, an increase of \$1,127,937, accounting for about 78 percent of the increase in total operating expenditures. This increase was due principally to the larger number of pupils and teachers, particularly in secondary schools, and to increases in teachers' salaries.

The greater increase in numbers of teachers in the elementary schools, from 1919 to 1930, than in the average daily attendance, had a marked effect on instruction costs per elementary pupil. Likewise, the increase in numbers of pupils in secondary schools, where cost of instruction per pupil in 1920 was 161 percent greater than in elementary schools, accounted for a large portion of the increase in operating expenditures of the period.

The following tabulation shows per pupil costs of instruction by the three types of schools for 1919 and 1930. Due to absence of statistical data, cost of instruction is the only item which can be broken down by types of schools. This item constituted 76.5 percent of total operating expenditures in 1930.

COST OF INSTRUCTION PER PUPIL
(Based on Average Daily Attendance)

Type of School	1920	1930	Percent of Change
Elementary	\$38.36	\$ 71.20	+85.6
Junior High . . . . .	..	102.26	} = - 7.4
Senior High	99.98	88.23	

The higher level of teachers' salaries prevailing in 1930 also had a substantial influence on costs. Total salary payments to teachers increased from \$679,273 in 1920 to \$1,516,367 in 1930, an increase of 123 percent, compared with an increase of 43.1 percent in numbers of teachers during the same period. Mandatory State legislation during this period caused material increases in teachers' salaries.

The following tabulation shows teachers' salary payments in 1920 and 1930:

PAYMENTS FOR TEACHERS' SALARIES

Type of School	1920		1930		Percent of Increase
	Amount Paid to Teachers	Percent of Total	Amount Paid to Teachers	Percent of Total	
Elementary	\$520,308	76.6	\$1,123,442	74.1	} = 147.2
Junior High . . . . .	..	..	130,250	8.6	
Senior High	158,965	23.4	262,675	17.3	
Total	\$679,273	100.0	\$1,516,367	100.0	123.2

REVENUES

Revenue receipts increased steadily from 1919 until 1927 when the peak of this 12-year period was reached. In 1927 revenue receipts amounted to \$2,851,659 or 155 percent greater than the sum of \$1,118,515 received in 1919. Between 1928 and 1930 revenue receipts declined each year and by 1930 amounted to \$2,658,000. This sum was, however, 138 percent greater than in 1919, but 6.8 percent less than in the peak year 1927.

The sharp increase in revenue receipts was caused by several factors. The major one was the steady increase in the tax rate from 10 mills in 1919 to 19 mills in 1930, an increase of 90 percent. In addition, assessed valuations increased throughout the period. Table III indicates a major reduction in 1928, but this was due to legal determination that the increases in valuation between 1924 and 1927 were based on excessive valuation of unmined anthracite coal. As a result assessed valuations in 1928 were reduced to their normal level. Total assessed valuations in 1919 were \$101,268,785 and by 1930 had risen to \$126,754,730, an increase of 25.1 percent.

While the unusually high assessed valuations between 1924 and 1928 resulted in a higher tax levy, they did not so affect revenues, for during those three years the percentage of total tax collections to the current levies dropped materially. In 1924 total taxes collected were 93.2 percent of the levy, but dropped to 74.6 percent in 1925. When the reduction in assessed valuations, pursuant to court order, took place in 1928, the percentage of total tax collection increased to 96 percent, offsetting the loss due to the reduction in valuations.

During this period State subsidies increased from \$109,745 in 1919 to \$343,898 in 1930, an increase of 213 percent.

The large increase in current revenues offset increases in expenditures, thus enabling the District to end each year, with the exception of 1920 and 1930, with an operating surplus. The operating deficit in 1920 was due mainly to an increase in teachers' salaries. In order to meet the further increase in teachers' salaries in 1921, the School Directors raised the tax rate from 10 to 16 mills and imposed a \$5.00 per capita tax, which resulted in an operating surplus of \$282,394. Although tax rates were raised several times after 1921, expenditures also increased until, by 1930, they exceeded revenues by \$39,949, causing an operating deficit.

For the entire 12-year period operations resulted in an operating surplus of \$1,812,142. This surplus was used to finance capital outlays of \$1,772,447, leaving a net surplus of \$39,695.

DEBT AND DEBT CHARGES

In addition to capital outlays financed from current revenues, proceeds of bond sales were used to the extent of \$4,081,158 or 69.7 percent of the total sum of \$5,853,605 spent for this purpose between 1919

and 1930. During this period bonds in the sum of \$4,375,000 were sold, but bonds to the amount of \$1,030,000 were retired, increasing the outstanding gross bonded indebtedness by \$3,345,000—from \$1,625,000 in 1919 to \$4,970,000 in 1930, an increase of 206 percent. The net debt in 1930 amounted to \$4,433,863, an increase of 251 percent over the net debt of \$1,262,891 in 1919.

These increases in outstanding indebtedness naturally affected debt service charges, which increased from \$103,650 in 1919 to \$322,168 in 1930, an increase of 211 percent.

SUMMARY—1919—1930

With the exception of the few years during which assessed valuations fluctuated, this period can be characterized as one of continual expansion in all school activities. Assessed valuations rose from \$101,268,785 in 1919 to \$126,754,730 in 1930, an increase of 25.1 percent. Tax rates increased from 10 mills in 1919 to 19 mills in 1930. These increases were the primary cause of the increase in current revenues from \$1,118,515 in 1919 to \$2,658,000 in 1930, an increase of 137.6 percent.

The growth in revenues was necessary to accommodate increased demands on the District. Pupil attendance increased 25.7 percent in all schools, with a much larger increase in secondary schools (160 percent). The increase of 43.1 percent in numbers of teachers was greater than the growth in pupil attendance. The increase in total attendance and number of teachers was accompanied by an even greater rise in teachers' salary payments, which increased from \$679,273 in 1920 to \$1,516,367 in 1930, an increase of 123 percent. This increase in this major item of operating expenditure was largely responsible for increases in total operating expenditures from \$932,572 in 1919 to \$2,375,781 in 1930, an increase of 154.8 percent. The growth in school plant was reflected in an increase of 163 percent in its value from about \$3,500,000 in 1919 to about \$9,200,000 in 1930.

B—DEPRESSION PERIOD—1931—1939

EXPANSION OF PLANT

Despite the fact that general business activity in Scranton began to decline before 1931 and pupil attendance began a steady decline in 1933, expansion of the school plant was still substantial between 1931 and 1939. Capital outlays during this period were \$3,910,618 or 39.5 percent of the amount spent for this purpose in the entire 25-year period. Unlike the previous period, current revenues in this nine-year period contributed only \$417,084 or 10.7 percent of the total outlay. Federal P.W.A. grants contributed \$537,165 or 13.7 percent, the remaining \$2,956,369 coming from the sale of bonds in the sum of \$2,600,000 and from previous bond fund balances.

CHANGES IN PUPIL ATTENDANCE, NUMBER OF TEACHERS, AND PUPIL-TEACHER RATIO—1931—1939

The combined average daily attendance for all schools reached its peak of 25,396 in 1933 and started a downward trend thereafter. By 1939 total attendance had dropped to 21,129, which was 12.1 percent below the 1930 attendance and 16.8 percent below the 1933 peak. The comparison of the average daily attendance of 1930 with that of 1939 is shown in the following tabulation:

AVERAGE DAILY ATTENDANCE

Type of School	1930		1939		Percent of Change
	Attendance	Percent of Total	Attendance	Percent of Total	
Elementary	18,949	78.8	12,319	58.3	- 35.0
Junior High	1,495	6.2	4,897	23.2	+227.6
Senior High	3,590	15.0	3,913	18.5	+ 9.0
Total	24,034	100.0	21,129	100.0	- 12.1

Despite the fact that total attendance declined 12.1 percent between 1930 and 1939, junior high school attendance increased 227.6 and senior high 9 percent, while elementary attendance decreased 35 percent. The trend from elementary to secondary school attendance was even more pronounced than in the previous period. Elementary attendance started

to decline in 1927 and between 1931 and 1939 showed continued reduction. By 1939 elementary attendance had dropped to 12,319, a loss of 6,630 pupils from 1930 or 35 percent. The greatest decline in any one year occurred in 1934, when elementary attendance dropped to 15,978 from 18,531 in 1933, a decrease of 13.8 percent. During this same year junior high school attendance increased from 1,741 in 1933 to 3,745, an increase of 2,004 or 115 percent. This large increase in junior high school attendance and the offsetting decrease in elementary school attendance were due to the opening of an additional junior high school. Another major increase in junior high school attendance came in 1938, when the third junior high school was opened. Senior high school attendance showed a steady rise until 1934, when apparently some of the senior high school pupils were transferred to the new junior high school. While senior high school attendance of 3,913 in 1939 was 9 percent greater than the 3,590 attendance of 1930, it was still 23.6 percent less than the peak attendance of 5,124 in 1933.

Despite the decline of 12.1 percent in total attendance, the number of teachers in 1939 was practically the same as in 1930. This does not mean that the number of teachers remained constant throughout the period. In fact, the fluctuations were material. In 1932 there were 856 teachers, 3.5 percent more than the 827 in 1930. This number dropped to 808 in 1937, the low point of this period, a decrease of 5.6 percent from the peak number in 1932. By 1939 the number had risen to 826 teachers.

NUMBER OF TEACHERS

Type of School	1930		1939		Percent of Change
	Number of Teachers	Percent of Total	Number of Teachers	Percent of Total	
Elementary	638	77.2	470	56.9	- 26.3
Junior High	65	7.8	190	23.0	+192.3
Senior High	124	15.0	166	20.1	+ 33.9
Total	827	100.0	826	100.0	- 0.1

Because the number of teachers remained constant while pupil attendance showed a material drop, the pupil-teacher ratio declined in all classes of schools, with the exception of junior high schools. The total pupil-teacher ratio declined from 29 in 1930 to 25.5 in 1939, a decrease of 12.1 percent. The largest decrease occurred in senior high

schools where the pupil-teacher ratio of 28.9 in 1930 dropped to 23.5 in 1939, a decrease of 18.7 percent. The following tabulation shows the changes in the pupil-teacher ratio for the three classes of schools between 1930 and 1939:

PUPIL-TEACHER RATIO

Type of School	1930	1939	Percent of Change
Elementary.....	29.7	26.2	-11.8
Junior High.....	23.0	25.7	+11.7
Senior High.....	28.9	23.5	-18.7
Total.....	29.0	25.5	-12.1

COSTS OF CONDUCTING SCHOOLS—1931—1939

Operating expenditures of \$2,364,019 in 1939 showed very little change from the expenditures of \$2,375,781 in 1930, although there were fluctuations within this period. In 1932 operating expenditures of \$2,485,107 constituted the highest amount spent in any year in the history of the School District of Scranton. Beginning in 1933 operating expenditures began to decline. The lowest amount spent during this nine-year period was \$2,115,397 in 1937.

The relatively small decline in operating expenditures did not reflect the decline of 12.1 percent in pupil attendance. Consequently, the per pupil costs increased 13.2 percent from \$98.85 in 1930 to \$111.89 in 1939.

The following tabulation shows total expenditures from the General Fund of the District for 1930 and 1939:

GENERAL FUND EXPENDITURES

Purpose of Expenditure	1930		1939		Percent of Change
	Amount	Percent of Total	Amount	Percent of Total	
Cost of Instruction.....	\$1,816,731	66.0	\$1,855,550	62.7	+ 2.1
Operation and Maintenance of Plant.....	334,078	12.1	304,928	10.3	- 8.7
Other Operating Expenditures..	224,972	8.2	203,541	6.9	- 9.5
Operating Expenditures.....	\$2,375,781	86.3	\$2,364,019	79.9	- 0.5
Retirement of Debt.....	\$ 71,416	2.6	\$289,816	9.8	+305.8
Interest and State Tax.....	250,752	9.1	266,598	9.0	+ 6.3
Capital Outlays.....	54,806	2.0	39,071	1.3	- 28.7
Total Expenditures.....	\$2,752,755	100.0	\$2,959,504	100.0	+ 7.5

Debt service charges and cost of instruction are the only items which increased in 1939 over 1930. The largest increase occurred in retirement of debt, which was accounted for in part by an increase in amount of bonds outstanding, but primarily by a larger rate of debt retirement. Bond maturities were so scheduled that a greater portion came due in this and the subsequent period than in the first period of the quarter century under review. Due to insufficient reserves set up for these greater maturities, they constituted a heavy drain on current revenues of this period.

Costs of instruction increased slightly, due principally to increase in teachers' salary payments. While the number of teachers was practically the same in 1939 as in 1930, salary payments to teachers increased from \$1,516,367 in 1930 to \$1,613,466, an increase of 6.4 percent. This increase in teachers' salary payments was due, in turn, to the larger percentage of teachers employed in secondary than in elementary schools. In 1930 elementary school teachers constituted 77.2 percent of the total number of teachers, while in 1939 the percentage had dropped to 56.9. Conversely, the number of secondary school teachers was 22.8 percent of the total in 1930 and increased to 43.1 percent in 1939. Thus the greater amount paid for teachers' salaries was due primarily to a very substantial increase in the proportion of more highly paid secondary school teachers accompanied by a decrease in that of lower paid elementary school teachers. The comparison of the teachers' salary payments by the three classes of schools for the two years reveals this fact:

PAYMENTS FOR TEACHERS' SALARIES

Type of School	1930		1939		Percent of Change
	Amount Paid to Teachers	Percent of Total	Amount Paid to Teachers	Percent of Total	
Elementary.....	\$1,123,442	74.1	\$912,859	56.6	- 18.7
Junior High.....	130,250	8.6	359,201	22.3	+175.7
Senior High.....	262,675	17.3	341,406	21.1	+ 30.0
Total.....	\$1,516,367	100.0	\$1,613,466	100.0	+ 6.4

The changes in the pupil-teacher ratio had a direct bearing on the cost of instruction per pupil, as shown below:

COST OF INSTRUCTION PER PUPIL

Type of School	1930	1939	Percent of Change
Elementary.....	\$ 71.20	\$87.03	+22.2
Junior High.....	102.26	82.06	-19.8
Senior High.....	88.23	97.50	+10.5

REVENUES

While the greater part of this period was one of declining revenues, in the first year (1931) revenue receipts amounted to \$3,097,787, the peak for the entire history of the School District of Scranton. This increase of \$439,787 over 1930 was accounted for by a rise in delinquent tax collections. Delinquent taxes in 1931 amounted to \$565,955 compared with \$73,452 in 1930, an increase of \$492,503, which was slightly more than the total increase in revenue receipts. The increase in tax rate from 19 mills to 21 mills during that year had no effect on receipts from current taxes, due to a decline in the percentage of such taxes collected. In fact, while the current tax levy was \$275,000 greater than the previous year, collections of this levy were \$76,000 less than the previous year. In 1932 a downward trend of revenue receipts started and continued through 1935, when total revenue receipts were \$2,457,906, a decrease of \$639,881 or 20.7 percent from the peak year. A reduction in the tax rate from 21 to 18 mills during that year was partly responsible for this decline. In 1936 a temporary increase in revenue receipts occurred, again due to increased collections of delinquent taxes, amounting to \$648,301, the highest amount collected during any one year. This large increase in delinquent tax collections resulted in total tax collections in 1936 of 104.9 percent of the current year's levy. This was the only year in the entire 25-year period in which total tax collections exceeded 100 percent of the current year's levy.

In 1937 the District sustained a drastic reduction in assessed valuations from \$121,733,600 in 1936 to \$108,485,385 in 1937, a loss of \$13,248,215, or 10.9 percent. This reduction was due to action by the General Assembly which forced the School District to adopt county assessed valuations which were lower than those of the city. To offset this loss the tax rate was raised 1½ mills from 17½ to 19 mills. As a

result, the total levy of \$2,251,536 for 1937 was only \$56,872 less than the \$2,308,408 levy of 1936, a decrease of 2.5 percent. The decline in revenue receipts in 1937 was due largely to a decrease in tax collections. This decline, however, was partly offset by the application of prepaid 1938 taxes to 1937 revenues.

By 1939, the end of this period, total revenue declined to \$2,517,779, a decrease of 5.3 percent from \$2,658,000 in 1930 and 18.7 percent from the peak in 1931.

Assessed valuations during this period declined from \$126,754,730 in 1930 to \$104,488,527 in 1939, a decrease of 17.6 percent compared with a decline in revenue receipts of 5.3. The tax rate was the same in 1930 and 1939. The rate of total tax collection, 96.9 percent, in 1939 compared with 88 percent in 1930, prevented a decline in revenues in proportion to that in assessed valuations. Another reason was a change in the State laws, Act of July 2, 1937 (P. L. 2791), which went into effect on January 1, 1938, requiring the billing of all city, school, county, and institution district taxes on one statement to be mailed by the tax collector not later than January 15 of each year. Under this law, taxes are payable at a discount prior to April 30, and on July 1 all unpaid taxes are considered delinquent. The net effect of this legislation was that a portion of the taxes levied for the school year 1938-1939 was actually collected during the school year 1937-1938. Unfortunately, the School Directors, instead of setting these taxes aside to be used in the year for which they were levied, placed them in the general fund and they were, therefore, used in the year in which they were received to cover expenditures of that year. In 1938 \$582,234 of taxes levied for the school year 1938-1939 were collected and included in current revenues of the 1937-1938 school year. In the following year \$789,053 of such prepaid taxes were collected. Thus the revenues of 1938 and 1939 were in effect overstated by those amounts and accounted for the smaller decrease in revenue than would have been expected from the decline in valuations.

In 1939 State subsidies amounted to \$322,061 compared with \$343,898 in 1930, a decline of 6.3 percent. Throughout this period, amounts received from this source remained fairly constant.

Unlike the period 1919 to 1930, the years 1931 to 1939 showed an operating deficit of \$509,310, although in four of the nine years there were operating surpluses. The deficits of the last two years of this period totalled \$795,422, despite the receipts of advance tax payments.

The operating surplus for the other seven-year period, 1931 to 1937, was \$286,112.

Due to unfavorable operating results in this period, only \$417,084 was provided by the General Fund for capital outlays, only 10.7 percent of the total sum of \$3,910,618 spent for this purpose during the period. The use of current funds for capital outlay purposes increased the deficit for the period to \$926,394. Funds to finance this deficit were provided by issuance in 1938 of delinquent tax bonds in the amount of \$1,000,000.

DEBT AND DEBT SERVICE

The net deficit of \$926,394 and continued substantial capital outlays necessitated a further increase in bonded indebtedness. While the total amount spent for capital outlay was \$3,910,618 during the period, \$537,165 or 13.7 percent was provided by federal P.W.A. grants, \$417,084 or 10.7 percent came from current revenues, and the remainder (75.6 percent) was financed by the proceeds from the sale of \$2,600,000 of bonds and from previous bond fund balances.

Bonds in the amount of \$3,600,000 were sold during this period, while bonds in the sum of \$2,329,000 were retired, giving a net increase of \$1,271,000. Consequently, the gross debt increased to \$6,241,000 in 1939 from \$4,970,000 in 1930, an increase of 25.6 percent.

Included in the \$3,600,000 bond issue were \$1,000,000 of delinquent tax bonds sold in 1938 against outstanding delinquent taxes. Subsequent collections of these taxes were placed in a separate sinking fund, as provided by law, to service these bonds. Therefore, they have been treated in the operating statement as temporary loans and the delinquent taxes collected have been included in revenue receipts. Only the interest on these bonds has been included in debt service.

Debt service charges increased to \$556,414 in 1939 from \$322,168 in 1930, an increase of 72.7 percent compared with an increase of only 25.6 percent in the bonds outstanding. This increase in debt service charges, proportionately larger than the increase in bonded indebtedness, was due to a policy followed in the earlier period of issuing bonds with postponed maturity, but without providing adequate reserves to retire the bonds when due.

SUMMARY—1931—1939

This period from 1931 to 1939 was characterized by fluctuations in every phase of the school activities.

Assessed valuations throughout the period continued on a downward trend which was accentuated in 1937, when the District was forced to adopt the county assessments. These were considerably lower than those used by the City and the District. As an offset to declining assessments, taxes were increased during the first four years, but reduced in 1935 and 1936. In 1937, to offset the substantial decrease in valuations in that year, the rate was raised from 17½ to 19 mills (the same rate that was in effect in 1930), where it remained for the balance of this period. In the last two years of this period the decline in valuations was further offset by a change in the date of tax levy, which furnished the District with additional revenues in the form of prepaid taxes. As a result of these offsetting features revenue receipts, while fluctuating during this 9-year period, showed little change in 1939 compared with 1930, the last year of the preceding period. The 1939 revenue receipts amounted to \$2,517,779 compared with \$2,658,000 in 1930.

Pupil attendance also showed material variations during this period. In 1933 the peak attendance of 25,396 was reached. Thereafter, with the exception of 1936, attendance continued to decline annually to 21,129 in 1939, a decrease of 12.1 percent from 1930 and 16.8 percent from the 1933 peak. The number of teachers increased during the first two years and reached its peak of 856 in 1932. In the following year a downward trend began which continued until 1937, when a total of 808 was reached, a decrease of 5.6 percent from the peak number. By 1939 the number of teachers had risen to 826 compared with 827 in 1930. Teachers' salary payments, however, increased 6.4 percent over 1930.

C—CURRENT WAR PERIOD—1940—1943

CHANGES IN PUPIL ATTENDANCE, NUMBER OF TEACHERS, AND PUPIL-TEACHER RATIO

The current period is marked by declining enrollments in all schools, as shown below:

AVERAGE DAILY ATTENDANCE

Type of School	1939		1943		Percent of Decrease
	Attendance	Percent of Total	Attendance	Percent of Total	
Elementary	12,319	58.3	9,058	58.1	} = 25.8
Junior High	4,897	23.2	1,957	12.5	
Senior High	3,913	18.5	4,579	29.4	
Total	21,129	100.0	15,594	100.0	26.2

The large decrease in junior high school attendance between 1939 and 1943 was due to the change in the status of one of the junior high schools to that of a senior high school. This decrease was, therefore, offset in part by an increase in senior high school attendance. Total attendance dropped from 21,129 in 1939 to 15,594 in 1943, a decrease of 26.2 percent. The percentage distribution of pupils between elementary and secondary schools remained practically unchanged.

The decline in number of pupils was not accompanied by a proportionate decline in number of teachers. The 687 teachers employed in 1943 represented a 16.8 percent decrease from the 826 employed in 1939 compared with a 26.2 percent decrease in attendance. This disparity is probably due to the difficulty of adjusting immediately the numbers and distribution of teachers during a period of rapidly declining pupil enrollment.

The numbers of teachers employed in 1939 and 1943 in the three classes of schools are shown in the following tabulation:

NUMBER OF TEACHERS

Type of School	1939		1943		Percent of Decrease
	Number of Teachers	Percent of Total	Number of Teachers	Percent of Total	
Elementary	470	56.9	377	54.9	} = 12.9
Junior High	190	23.0	96	14.0	
Senior High	166	20.1	214	31.1	
Total	826	100.0	687	100.0	16.8

The smaller proportionate reduction in teachers than in pupil attendance is reflected in a lower pupil-teacher ratio for all classes of schools in 1943 than in 1939. The changes in pupil-teacher ratio are shown below:

PUPIL-TEACHER RATIO

Type of School	1939	1943	Percent of Decrease
Elementary	26.2	24.0	8.4
Junior High	25.7	20.3	21.0
Senior High	23.5	21.3	9.4
Total	25.5	22.6	11.4

COST OF CONDUCTING SCHOOLS—1940—1943

Operating expenditures showed continued decline during this four-year period, falling to \$2,181,616 in 1943 compared with \$2,364,019 in 1939, a decrease of 7.7 percent.

The following tabulation shows expenditures from the General Fund for all major classes of expenditures:

GENERAL FUND EXPENDITURES

Purpose of Expenditure	1939		1943		Percent of Change
	Amount	Percent of Total	Amount	Percent of Total	
Cost of Instruction	\$1,855,550	62.7	\$1,660,814	58.2	-10.5
Operation and Maintenance of Plant	304,928	10.3	323,112	11.3	+ 6.0
Other Operating Expenditures	203,541	6.9	197,690	6.9	- 2.9
Operating Expenditures	\$2,364,019	79.9	\$2,181,616	76.4	- 7.7
Retirement of Debt	\$289,816	9.8	\$387,503	13.6	+33.8
Interest and State Tax	266,598	9.0	228,289	8.0	-14.4
Capital Outlay	39,071	1.3	56,106	2.0	+43.5
Total Expenditures	\$2,959,504	100.0	\$2,853,514	100.0	- 3.6

The decrease in operating expenditures was greater than the decrease in total expenditures, both in amount and in percentage, and was accounted for by the large increase in debt retirement. The increase in debt service reflects a more rapid rate of debt retirement. The reduction in interest charges is due to the reduction in gross bonded debt and lower interest rates. The increase in capital outlays, while material on a percentage basis, involved comparatively small amounts.

Of the operating expenditures, operation and maintenance of plant showed a reverse trend from that of school attendance. The costs of this item increased from \$304,928 in 1939 to \$323,112 in 1943, an increase of 6 percent. Costs of instruction showed the most material decreases in this period, dropping from \$1,855,550 in 1939 to \$1,660,814 in 1943 a decrease of \$194,736 or 10.5 percent. This reduction was due to reductions in teachers' salary payments from \$1,613,466 in 1939 to \$1,444,055 in 1943, a decrease of \$169,411 or 10.5 percent. This 10.5 percent decrease in teachers' salary payments compares with a 16.8 percent decrease in numbers of teachers and indicates higher salaries for individual teachers.

The reduction in pupil-teacher ratio and the increase in average teachers' salaries were reflected in higher costs of instruction per pupil, as shown below:

COST OF INSTRUCTION PER PUPIL

Type of School	1939	1943	Percent of Increase
Elementary	\$87.03	\$102.83	18.2
Secondary	88.92	111.59	25.5

REVENUES

Revenue receipts during this period did not follow the expenditure pattern. There were material variations from year to year. For 1940 and 1941 revenue receipts were fairly constant, despite the materially increased tax rate in 1941 from 19 to 25 mills. The increased tax rate was offset in part by reductions in assessed valuations of about 3 percent. Delinquent tax collections were \$162,884 less in 1941 than in 1940. About \$90,000 of State appropriations applicable to 1941 were not received until 1942. Thus, current revenues for 1941 were still \$9,803 less than 1940, despite an increase in the tax levy of \$552,000. In 1942 revenue receipts increased \$462,700, despite a decrease of one mill in the tax rate, due largely to an increase in the percentage of tax collections and the receipt of \$90,000 State grants applicable to 1941. Advance tax collections accounted for an increase in revenues of \$200,000. The reduction in revenue receipts of \$423,500 in 1943 was due largely to the disappearance of the unusual receipts of 1942. Total revenue receipts in 1943 amounted to \$2,635,367 compared with \$2,517,779 in 1939, an increase of 4.7 percent.

Despite the rather stable revenues in contrast to declining operating expenditures, continued high debt service charges caused operating deficits for each year except 1942. Over the entire four-year period operating deficits of \$842,849 were incurred. The capital outlays of \$128,578 paid out of the General Fund increased this deficit to \$971,427. This deficit was financed primarily from the sale of \$907,000 of refunding bonds.

DEBT AND DEBT SERVICE—1939—1943

During this period no bonds were sold for capital outlays, 99.2 percent of such outlays being financed from current revenues. The bonds sold during this period consisted of \$907,000 refunding bonds and \$823,000 delinquent tax bonds. During the same period bonds retired totalled \$2,046,000, resulting in a decrease in the bonds outstanding of \$316,000—from \$6,241,000 in 1939 to \$5,925,000 in 1943, a decrease of 5.1 percent.

As would be anticipated, this comparatively high debt retirement resulted in larger payments for principal, but reduced interest costs.

SUMMARY—1939—1943

The general improvement in economic conditions under the stimulus of preparedness for war was not reflected in the fiscal conditions of the School District of Scranton. In fact the reverse was the case. Consequently, continued decline in assessed valuations necessitated increases in tax rates. The rate, which was 19 mills per one dollar of valuation in 1939, was raised to 25 mills in 1941, an increase of 31.6 percent. In 1943 the rate was 24 mills, an increase of 26.3 over the 1939 rate. In addition, this period had a net benefit of \$585,746 due to receipt of taxes paid in advance, which constituted the difference between the sum of \$789,054, representing 1940 taxes collected in 1939 and applied to revenues of that year, and the sum of \$1,374,800 applicable to 1944, but collected and used in 1943.

On the operating side there were reductions in numbers of both pupils and teachers and in operating expenditures. Large debt service requirements were mainly responsible for operating deficits of this period. Bonds issued during this period were used almost entirely to pay operating expenditures and debt service charges.

SUMMARY OF FINANCIAL OPERATIONS FOR ENTIRE PERIOD 1919—1943

CHANGE IN ATTENDANCE

Pupil average daily attendance showed steady annual increases up to and including 1933. Elementary school attendance reached its peak in 1927, when it was 19,457 or 13.4 above the 17,157 attendance in the 1919-20 school year. Secondary school attendance continued to increase until 1940, when it reached a total of 8,960 compared with 1,955 in 1920, an increase of 358 percent. This unusually large increase was accounted for, primarily, by the introduction of the junior high school system and by higher compulsory attendance age. Total attendance increased from 19,112 in 1920 to 25,396 in 1933, an increase of 32.9 percent. Thereafter, total attendance declined steadily, with the exception of a slight increase in 1936, and reached a low of 15,594 for the entire 25-year period in 1943, a decrease of 18.4 percent from 1920 and 38.6 percent from the peak year.

The following tabulation shows the major changes in attendance from 1920 to 1943:

AVERAGE DAILY ATTENDANCE

Year	Total Average Daily Attendance	Elementary Schools		Secondary Schools	
		Attendance	Percent of Total	Attendance	Percent of Total
1920.....	19,112	17,157	89.8	1,955	10.2
1927.....	23,895	19,457	81.4	4,438	18.6
1933.....	25,396	18,531	73.0	6,865	27.0
1940.....	20,603	11,643	56.5	8,960	43.5
1943.....	15,594	9,058	58.1	6,536	41.9

In 1920 secondary school pupils constituted only 10.2 percent of the total number of pupils; in 1940 this percentage increased to 43.5 percent. The war sharply affected secondary attendance and by 1943 the percentage of pupils in secondary schools dropped to 41.9 percent of total pupil attendance.

The shift in enrollment from elementary to secondary grades was in a great measure responsible for the increase in school costs. The pupil-teacher ratio is customarily lower in secondary than in elementary schools and teachers are usually compensated at a higher rate in sec-

ondary schools. In other words, more teachers at a higher rate of pay are required to teach the same number of secondary school pupils than elementary pupils.

CHANGES IN NUMBER OF TEACHERS

In addition to the larger number of teachers required because of the shift of attendance from elementary to secondary schools, the number of teachers increased at a higher rate than pupil attendance, resulting in continual declines in the pupil-teacher ratio.

The following tabulation shows the changes in the number of teachers, pupils, and pupil-teacher ratio for the periods of major change:

CHANGES IN PUPIL ATTENDANCE, NUMBER OF TEACHERS, AND PUPIL-TEACHER RATIO

Year	Average Attendance		Number of Teachers		Pupil-Teacher Ratio	
	Attendance	Percent of Change From 1920	Number	Percent of Increase From 1920	Number	Percent of Decrease From 1920
1920	19,112	.....	578	.....	32.0	.....
1927	23,895	+25.0	761	31.7	31.3	2.2
1933	25,396	+32.9	845	46.2	30.0	6.2
1940	20,603	+ 7.8	803	38.9	25.6	20.0
1943	15,594	-18.4	687	18.9	22.6	29.4

It is apparent from the above tabulation that, up until 1933, the period of growth, the number of teachers was increasing at a greater rate than pupil attendance, while from 1933 on, the period of decline, the decrease in pupil attendance was far in excess of the decline in the number of teachers. The sharp decrease in the pupil-teacher ratio was the natural result.

The pupil-teacher ratio in secondary schools increased yearly until 1923, when it reached its peak of 34.3, but declined almost continually thereafter until by 1943 it had dropped to 21.1, a decline of 38.5 percent. In elementary schools the pupil-teacher ratio reached its peak of 36.9 in 1922 but, as in the case of secondary schools, declined generally to the low of 24 in 1943, a decrease of 35 percent. For all schools, the pupil-teacher ratio reached a peak of 36.2 in 1922 and declined to 22.6 in 1943, a decrease of 37.6 percent.

INCREASE IN TEACHERS' SALARIES

In addition to the increase in the number of teachers, average teachers' salaries also increased during this period. The mandatory

State legislation, fixing minimum salaries for teachers, became effective during the early part of this period and resulted in substantial increases in teachers' salary payments. The growth of this item of cost becomes apparent when it is realized that, although the number of teachers employed in 1943 was 687 compared to 578 in 1920, an increase of 18.9 percent, teachers' salary payments increased from \$679,273 in 1920 to \$1,444,055 in 1943 or 112.6 percent. The following tabulation shows changes in the number of teachers and in the teachers' salary payments for each of three economic periods:

CHANGES IN TEACHERS' SALARY PAYMENTS IN THREE ECONOMIC PERIODS

Year	Number of Teachers	Percent of Increase Over 1920	Salary Payments to Teachers	Percent of Increase Over 1920
1920	578	....	\$ 679,273	....
1930	827	43.1	1,516,367	123.2
1939	826	42.9	1,613,466	137.5
1943	687	18.9	1,444,055	112.6

GROWTH OF SCHOOL PLANT

To accommodate the increasing enrollment up to 1933 and the changes in educational methods, material investments were made in the school plant. The following tabulation shows the growth in book value of the school plant from \$3,437,500 in 1918 to a peak value of \$13,054,635 in 1940, an increase of 280 percent.

BOOK VALUE OF SCHOOL PLANT

Years	Valuation	Percent of 1919
1917-18	\$3,437,500.00	100.00
1924-25	5,712,679.07	166.51
1929-30	9,171,304.77	267.10
1934-35	11,451,555.96	333.60
1939-40	13,054,634.53	380.00
1942-43	12,874,722.86	374.45

This increased plant naturally increased the costs of plant operation and maintenance. Furthermore, it was necessary to sell bonds in the amount of \$6,975,000 to finance 70.5 percent of the capital outlay program of \$9,893,811. This increase in debt resulted in higher debt service charges.

OPERATING EXPENDITURES

From 1919 to 1932 operating costs increased steadily to reach a peak of \$2,485,107 in 1932 compared with \$932,572 in 1919, an in-

crease of 166.5 percent. With the exception of 1936, operating expenditures declined from \$2,485,107 in 1932 to \$2,115,396 in 1937 or 14.9 percent. In 1938 they increased to \$2,415,616, an increase of 14.2 percent over 1937. Thereafter, they declined to \$2,181,616 in 1943, which amount was 134 percent greater than in 1919, but 12.2 percent less than the 1932 peak amount.

DEBT AND DEBT CHARGES

In addition to the sale of bonds in the sum of \$6,975,000 for capital outlays, further bonds in the sum of \$2,730,000 were sold for operating expenditures, of which \$907,000 were in refunding bonds and \$1,823,000 in delinquent tax bonds. During the same period, bonds in the sum of \$5,405,000 were retired, resulting in a growth in gross bonded debt from \$1,625,000 at the beginning of 1919 to \$5,925,000 at the end of 1943, a net increase of \$4,300,000 or 265 percent. Net debt increased from \$1,262,891 at the beginning of 1919 to \$5,835,907 at the end of 1943, an increase of \$4,573,017 or 362 percent. This larger increase in net debt than in gross debt was due to the decrease in the sinking fund from \$362,109 at the beginning of 1919 to \$89,093 at the end of 1943.

Debt service charges also naturally increased from \$103,650 in 1919 to \$615,792 in 1943, an increase of 494 percent. This unusually large increase was due to two factors. First, the 265 percent increase in gross debt, and second, the higher rate of debt retirement in the latter part of this period. The bonds issued in the earlier years had late maturity dates, but apparently sufficient reserves were not provided for their retirement at maturity. Consequently, in the later years it was necessary to provide for greater maturities because of increased indebtedness and for deficiencies in the sinking fund for the maturities of earlier bond issues.

REVENUES

Revenues of this period were affected, primarily, by changes in assessed valuations, tax rates, and amount of tax collections. Assessed valuations for the most part showed a gradual upward trend until 1924, when they reached \$107,774,285, an increase of 6.4 percent over the valuation of \$101,268,785 in 1919. In 1925 valuations showed a sharp rise to \$144,560,560, an increase of 34.1 percent over the preceding year, and continued at approximately that level through 1927. In 1928 assessed valuations, as a result of judicial determination, were reduced

to \$123,922,325, 15 percent below the valuation of \$145,749,540 in the preceding year, but 15 percent higher than the 1924 valuations of \$107,774,285. With the exception of the abnormal rise between 1925 and 1927, valuations in 1931 reached their peak of \$127,179,905, 25.5 percent above 1919. After 1932 valuations declined steadily, with an acceleration in 1937, when the General Assembly abolished the use of the city assessments in Scranton and forced the School District and the City to use the county assessments, which were considerably lower. By 1943 assessments had declined to \$99,513,651, 1.8 percent below 1919 and 21.8 percent below 1931.

Tax rates increased steadily from 10 mills in 1919 to 21 mills in 1931, a rise of 110 percent, and remained at that rate until 1933. In the following year began a series of reductions in the tax rate to 17.5 mills in 1936. The extraordinary reduction in valuations in 1937 required an increase in the tax rate in that year to 19 mills which was retained until 1940. In 1941 the rate was increased to 25 mills, then reduced to 24 mills for 1942 and 1943. This large increase in the tax rate in the last three years, when the number of pupils and teachers was declining, was necessary to meet the increased debt service charges previously explained.

These changes in assessed valuations and tax rates affected revenues generally. The percentage of tax collections also had a material effect, offsetting increases or decreases in revenues which would have been realized from the changes in assessments and tax rates. The relationship of total amount of taxes collected to the current year's tax levy varied from 104.9 percent in 1936 to 73.8 percent in 1926. Current revenues, therefore, showed wide variation during this quarter century. These variations in revenues were not always in direct relationship to expenditures. Consequently, there were 15 years when revenues exceeded operating expenditures and debt service charges, resulting in operating surpluses, and 10 years when the reverse was the case, resulting in operating deficits.

From 1919 to 1937 operating surpluses exceeded operating deficits by \$2,098,254. Between 1938 and 1943 operating deficits were material and were incurred in each year with the exception of 1942. Operating deficits of these five years totalled \$1,776,842 in contrast with 1942 operating surplus of \$138,572, giving for the last six years a net operating deficit of 10 percent of current revenues of these years. This

net operating deficit was incurred despite a new gain of \$1,374,800 from advance payment of taxes, as shown below:

ADVANCE TAXES RECEIVED

Years Received	Years Applicable	Amount Received
1937-38	1938-39	\$582,234
1938-39	1939-40	789,053
1939-40	1940-41	1,059,035
1940-41	1941-42	1,128,179
1941-42	1942-43	1,313,723
1942-43	1943-44	1,374,800

The advance tax payments were the result of legislation, as explained earlier, which went into effect January 1, 1938 (P. L. 2791, 1937). The effect of this was that taxes levied for one school year were collected and used in the preceding school year. Consequently, while there were collections in each year since 1938 belonging to the succeeding year, the net gain to this period was the amount of 1944 taxes collected and used in 1943. Had these taxes been set aside for the years for which they were levied, operating deficits for the past six years would have been increased by \$1,374,800 to \$3,013,070 and the ostensible operating surplus of the entire quarter century would have been converted into an operating deficit of \$914,817. In effect, the School District in 1943 was operating on taxes applicable to 1944 in the sum of \$1,374,800.

However, for the entire 25-year period, disregarding the use of advance tax payments explained above, current revenues exceeded current operating expenses and debt service by \$459,983. This operating surplus was used to finance the \$2,318,109 capital outlays from the General Fund, leaving a net deficit for the period of \$1,858,126. This net deficit was in effect met from the following extraordinary sources:

HOW THE DEFICIT WAS MET

Source	Amount	
Refunding Bonds	\$ 907,000	
Delinquent Tax Bonds (net)	1,050,185	
Premiums on Bonds and Transfers	56,454	
	\$2,013,639	
Less:		
Increases in Cash Balance \$103,343 ¹		
Outstanding Warrants 52,170	155,513	\$1,858,126

¹Reflects Shortage of \$32,989.

CONCLUSIONS

The School District of Scranton has been confronted for many years with a situation peculiar to the coal mining regions of the Commonwealth, namely, the continuous reduction in assessed valuations of real property as coal deposits are mined and marketed. In periods of greatest prosperity, the tax base was rapidly dissipated, a condition which intensified the decline in tax collections in the periods of depressions which invariably followed. Although this reduction had been going on gradually for a long time, it was accentuated in the years following the first World War. The inevitable conclusion, of course, is that eventually there will be no income from this once highly profitable source of revenue.

A strike in the coal mines in 1925 complicated matters further and even its settlement failed to restore the area to its former level of prosperity. Since then Scranton has been going through the slow and tedious process of conversion from a city supported largely by one industry to one supported by many diversified industries. That great strides have already been made in this direction is evidenced by the fact that in 1944 still mineable coal lands constitute only about 31¼ percent of the total assessed valuation of real property from which the School District of Scranton receives its tax revenues.

During the past seven years, since County assessments were adopted, assessed valuations for Scranton declined about \$9,000,000, an average of about \$1,300,000 per year. A continuation of this trend, even on a reduced scale, will further weaken the financial structure of the School District. Even with present assessed valuations the District has incurred deficits during the past six years averaging about \$300,000 a year. On the basis of the 1943 rate of expenditures, it would require an increase of two mills in the tax rate to bring into balance the financial operations of the District, assuming the unlikely possibility of maintaining present assessed valuations.

The alternative to an increase in the tax rate is the possibility of reduced expenditures. Debt service requirements, which by their constant growth have been a major cause for operating deficits, do not offer any relief for the next three years. Thereafter, substantial decreases can be anticipated, providing no more bonds are sold. If the School District can reduce expenditures and meet its current obligations out of current revenues, as appears possible, there should be no immediate

need for long-term borrowing, since there appears to be no early occasion for any major capital outlays. In fact, the present school plant appears more than ample to meet all of the immediate major contingencies, even allowing for sharp increases in post-war school attendance.

The following tabulation, giving the number of births for the City of Scranton from 1930 to 1943, indicates an almost static situation and, therefore, it is likely that the pre-war reduced pupil attendance will continue and even decline for some time after the war:

BIRTHS IN FOURTEEN-YEAR PERIOD

Year	Number	Percent of 1930
1930	2,982	100.0
1931	2,914	97.7
1932	2,971	99.6
1933	2,868	96.2
1934	2,849	95.5
1935	2,870	96.2
1936	2,839	95.2
1937	2,870	96.2
1938	2,609	87.5
1939	2,994	100.4
1940	2,700	90.5
1941	2,849	95.5
1942	2,884	96.7
1943	2,917	97.8

With reduced enrollments stabilized at or below the prevailing low level, the School District will no doubt endeavor to adjust its plant and personnel to actual demands. The over-expansion of the school plant during the period of increasing enrollments between 1920 and 1933 was in a great measure responsible for the increased costs. The larger number of schools automatically increased the operation and maintenance costs. The prevailing number of small schools does not permit an economical pupil-teacher ratio. A reduction in the number of teachers sufficient to produce an increase of just one in the pupil-teacher ratio would result in an annual saving of approximately \$57,000 through the consequent decrease in the number of teachers. A return to the pupil-teacher ratio of the 1933 level, namely, 30 pupils per teacher (the ratio in 1943 was 22.6), would provide an annual reduction in teachers' salary payments of about \$462,000, a sum which is in excess of the average annual deficit of the past six years. To effect a

higher pupil-teacher ratio in elementary grades the consolidation of some of the smaller and less economical elementary schools would be required. This in turn would provide further savings in operation and maintenance of plant.

It appears, therefore, that despite apparent unfavorable financial outlook of the School District of Scranton, there is a strong probability that with a realistic approach to future needs, a financial balance can be achieved and maintained, especially as the city, already approaching independence from the coal industry, encourages development of more diversified industrial and commercial operations within its boundaries.

TABLES

All data in the following tables were taken from the official auditors' reports of the School District of Scranton, from the records of the Secretary of the Board of Directors of the School District of Scranton, and of the Superintendent of Schools of the School District of Scranton.

All tables used in the text and in the following pages of this report were prepared from these official sources by the Pennsylvania Economy League, Inc.

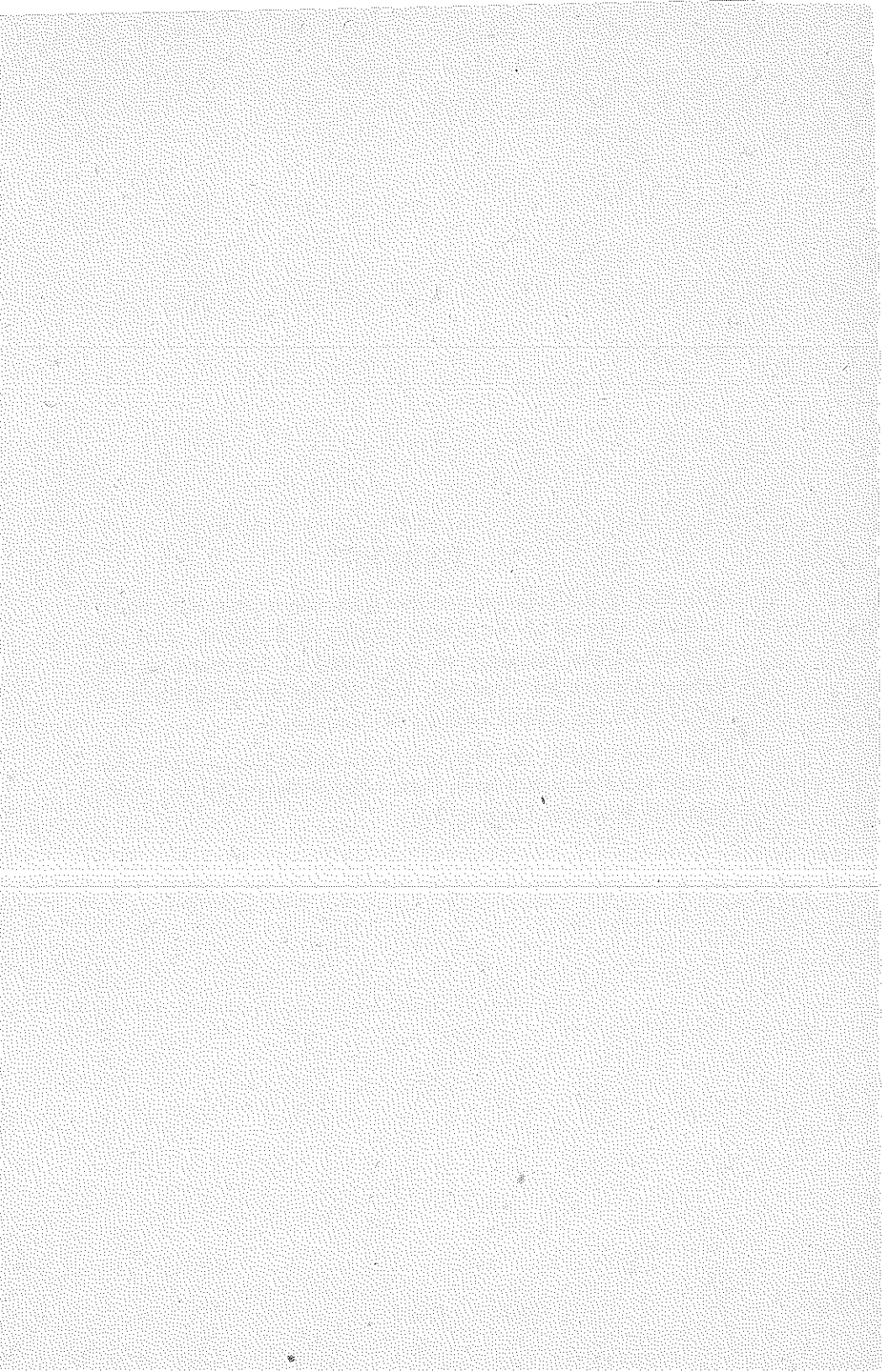


TABLE I—SCHOOL DISTRICT OF SCRANTON
SUMMARY OPERATING STATEMENT

Year	Revenue Receipts	Debt Service Charges	Operating Expenditures	Operating Surplus or Deficit	Capital Outlay	Net Surplus or Deficit
1918-19	\$1,118,515	\$103,650	\$ 932,572	+ \$82,293	\$13,759	+ \$68,534
1919-20	1,208,687	103,901	1,135,313	- 30,527	49,357	- 79,884
1920-21	1,843,956	100,000	1,461,562	+ 282,394	196,933	+ 85,461
1921-22	2,024,193	107,152	1,566,492	+ 350,549	98,273	+ 252,276
1922-23	2,011,415	125,000	1,643,897	+ 242,518	518,836	- 276,318
1923-24	2,223,816	175,000	1,769,056	+ 279,760	364,118	- 84,358
1924-25	2,250,943	178,604	1,982,292	+ 90,047	142,407	- 52,360
1925-26	2,366,000	185,837	2,161,388	+ 18,775	112,445	- 93,670
1926-27	2,851,659	296,655	2,166,000	+ 389,004	53,962	+ 335,042
1927-28	2,767,564	330,000	2,310,175	+ 127,389	75,348	+ 52,041
1928-29	2,745,856	330,000	2,395,969	+ 19,887	92,203	- 72,316
1929-30	2,658,000	322,168	2,375,781	- 39,949	54,806	- 94,755
Total 1919-1930	\$26,070,604	\$2,357,967	\$21,900,497	+ \$1,812,140	\$1,772,447	+ \$39,693
1930-31	\$3,097,787	\$473,575	\$2,434,248	+ \$189,964	\$91,993	+ \$ 97,971
1931-32	2,829,578	457,810	2,485,107	- 113,339	29,980	- 143,319
1932-33	2,731,022	427,722	2,221,165	+ 82,135	31,343	+ 50,792
1933-34	2,479,890	331,410	2,191,414	- 42,934	9,190	- 52,124
1934-35	2,457,906	229,774	2,209,454	+ 18,678	13,836	+ 4,842
1935-36	2,861,885	310,726	2,384,435	+ 166,724	180,848	- 14,124
1936-37	2,615,283	515,000	2,115,397	- 15,114	6,675	- 21,789
1937-38	2,562,175	539,328	2,415,616	- 392,769	14,148	- 406,917
1938-39	2,517,779	556,414	2,364,019	- 402,654	39,071	- 441,725
Total 1931-1939	\$24,153,305	\$3,841,759	\$20,820,855	- \$509,309	\$417,084	- \$926,393
1939-40	\$2,605,970	\$517,221	\$2,389,393	- \$300,644	\$33,707	- \$334,351
1940-41	2,596,168	746,268	2,368,635	- 518,735	16,226	- 534,961
1941-42	3,058,867	614,873	2,305,422	+ 138,572	22,539	+ 116,033
1942-43	2,635,367	615,792	2,181,616	- 162,041	56,106	- 218,147
Total 1940-1943	\$10,896,372	\$2,494,154	\$9,245,066	- \$842,848	\$128,578	- \$971,426
Total	\$61,120,281	\$8,693,880	\$51,966,418	+ \$459,983	\$2,318,109	- \$1,858,126

TABLE II—SCHOOL DISTRICT OF SCRANTON
SUMMARY STATEMENT OF OPERATIONS

Year	CHANGE IN FINANCIAL STATUS							Net Change Increase or Decrease
	Increase or Decrease in Cash Balance	Reduction or Increase of Temporary Loans	Reduction or Increase of Warrants Outstanding	Shortages in Cash, Premium on Bonds, Etc.	Reduction or Increase of Emergency Loans ¹	Refunding Bonds	Transfers to and From Other Funds	
1918-19	- \$ 6,926	\$.....	+ 75,460	\$.....	.....	.....	\$.....	+ \$68,534
1919-20	- 33,462	.....	- 46,422	.....	.....	.....	.....	- 79,884
1920-21	+ 50,077	.....	+ 35,384	.....	.....	.....	.....	+ 85,461
1921-22	+ 253,844	.....	- 1,568	.....	.....	.....	.....	+ 252,276
1922-23	- 231,346	.....	- 44,972	.....	.....	.....	.....	- 276,318
1923-24	- 105,357	- 280,000	+ 24,069	+ 278,104 ¹	.....	.....	- 1,174	- 84,358
1924-25	+ 44,338	- 70,000	+ 4,299	- 58,230 ¹	.....	.....	+ 27,233	- 52,360
1925-26	+ 61,594	+ 100,000	- 68,424	- 186,840 ¹	.....	.....	.....	- 93,670
1926-27	+ 89,950	+ 250,000	+ 22,422	- 25 ¹	.....	.....	- 27,306	+ 335,041
1927-28	+ 156,823	.....	- 104,762	- 20 ¹	.....	.....	.....	+ 52,041
1928-29	- 205,757	.....	+ 116,741	.....	.....	.....	+ 16,700	- 72,316
1929-30	- 45,994	- 50,000	+ 1,239	.....	.....	.....	.....	- 94,755
Total 1919-1930	+ \$27,784	- \$50,000	+ \$13,466	+ \$32,989	.....	.....	+ \$15,453	+ \$39,692
1930-31	+ \$33,837	+ \$50,000	+ \$ 14,134	\$.....	\$.....	.....	\$.....	+ \$ 97,971
1931-32	+ 41,486	- 80,000	- 104,805	.....	.....	.....	.....	- 143,319
1932-33	- 112,238	+ 80,000	+ 137,514	.....	.....	.....	- 54,484	+ 50,792
1933-34	- 55,404	.....	+ 3,280	.....	.....	.....	.....	- 52,124
1934-35	+ 8,263	.....	- 5,421	.....	.....	.....	.....	+ 4,842
1935-36	- 19,459	.....	+ 5,894	.....	.....	.....	- 559	- 14,124
1936-37	- 26,433	.....	+ 4,644	.....	.....	.....	.....	- 21,789
1937-38	+ 586,590	.....	- 2,505	- 8,473 ²	- 982,529	.....	.....	+ 406,917
1938-39	- 592,820	.....	- 1,913	.....	+ 153,008	.....	.....	- 441,725
Total 1931-1939	- \$136,178	+ \$50,000	- \$52,822	- \$8,473	- \$829,521	.....	- \$55,043	- \$926,393
1939-40	+ \$427,466	\$.....	- \$415,609	- \$ 655 ²	- \$345,553	\$.....	.....	- \$334,351
1940-41	- 387,838	- 350,000	+ 418,594	- 1,509 ²	+ 74,792	- 289,000	.....	- 534,961
1941-42	+ 125,272	+ 350,000	- 3,250	- 4,309 ²	- 69,180	- 289,000	.....	+ 116,033
1942-43	+ 13,847	.....	- 20,353	- 1,918 ²	+ 119,577	- 329,000	.....	- 218,147
Total 1940-1943	+ \$178,747	.....	- \$14,118	- \$8,391	- \$220,664	- \$907,000	.....	- \$971,426
Total	+ \$70,353	+ \$52,170	- \$16,864 ²	- \$1,050,185	- \$907,000	- \$39,590	- \$1,858,127

¹ Shortages in cash. ² Premium on bonds. ³ Delinquent tax bonds.

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TABLE III—SCHOOL DISTRICT OF SCRANTON
ASSESSED VALUATIONS, TAX RATES, AND REVENUE RECEIPTS

Year	Assessments		Tax Rates	Revenue	
	Valuations	Percent of 1919	Rate in Mills	Receipts	Percent of 1919
1918-19	\$101,268,785	....	10	\$1,118,515	....
1919-20	100,885,675	99.6	10	1,208,687	108.1
1920-21	107,996,635	106.6	16	1,843,956	164.8
1921-22	107,128,880	105.8	16	2,024,193	181.0
1922-23	103,676,755	102.4	16	2,011,415	179.8
1923-24	107,774,285	106.4	16	2,223,816	198.8
1924-25	144,560,560	142.7	17	2,250,942	201.2
1925-26	144,101,930	142.2	18	2,366,000	211.5
1926-27	145,749,540	143.9	19	2,851,659	254.9
1927-28	123,922,325	122.3	19	2,767,564	247.4
1928-29	126,151,235	124.6	19	2,745,856	245.4
1929-30	126,754,730	125.1	19	2,658,000	237.6
1930-31	127,179,905	125.5	21	3,097,787	277.0
1931-32	126,820,705	125.2	21	2,829,578	253.0
1932-33	124,204,835	122.6	21	2,731,022	244.1
1933-34	123,623,630	122.0	20	2,479,890	221.7
1934-35	122,482,010	120.9	18	2,457,906	219.7
1935-36	121,733,600	120.2	17.5	2,861,885	255.8
1936-37	108,485,385	107.1	19	2,615,283	233.8
1937-38	107,179,323	105.8	19	2,562,175	229.0
1938-39	104,488,527	103.1	19	2,517,779	225.1
1939-40	103,822,335	102.5	19	2,605,970	233.0
1940-41	100,998,180	99.7	25	2,596,168	232.1
1941-42	100,540,866	99.2	24	3,058,867	273.4
1942-43	99,513,651	98.2	24	2,635,367	235.6

TABLE IV—SCHOOL DISTRICT OF SCRANTON
TAX COLLECTIONS

Year	Tax Rates		Amount of Current Tax Levy	Amount of Current Taxes Collected	Percent of Current Tax Levy Collected	Amount of Delinquent Taxes at Beginning of School Year	Amount of Delinquent Taxes Collected	Percent of Delinquent Taxes Collected	Total Taxes Collected	Percent of Total Collections to Current Levies
	Per Capita in Dollars	Real Estate in Mills								
1919	.....	10	\$1,051,100	\$970,750	92.4	\$442,097	\$24,298	5.5	\$ 995,048	94.5
1920	.....	10	1,043,892	984,282	94.4	460,448	43,214	9.4	1,027,496	98.3
1921	5.00	16	2,043,086	1,662,955	81.4	268,020	19,194	7.2	1,682,149	82.3
1922	5.00	16	1,870,477	1,679,220	89.8	358,145	116,002	32.4	1,795,222	95.9
1923	5.00	16	1,818,948	1,591,204	87.5	252,603	139,115	55.0	1,730,319	95.2
1924	5.00	16	1,914,314	1,666,958	87.0	603,521	119,413	19.8	1,786,371	93.2
1925	2.50	17	2,622,238	1,734,092	66.2	686,976	225,741	32.8	1,959,833	74.6
1926	2.50	18	2,754,920	1,971,525	71.5	1,282,798	58,914	4.6	2,030,439	73.8
1927	2.50	19	2,934,138	1,915,528	65.3	1,971,525	577,702	29.3	2,493,230	85.0
1928	2.50	19	2,486,520	2,032,677	81.7	1,932,446	356,004	18.5	2,388,681	96.0
1929	2.50	19	2,535,970	2,255,491	89.0	2,052,183	99,154	4.8	2,354,645	92.9
1930	2.50	19	2,557,604	2,171,771	85.0	2,162,378	73,452	3.4	2,245,223	88.0
1931	2.50	21	2,834,769	2,095,219	74.0	1,884,529	565,955	30.1	2,661,174	93.9
1932	2.50	21	2,829,976	2,282,309	80.7	1,985,102	156,799	7.9	2,439,108	86.2
1933	2.50	21	2,767,445	2,096,395	75.7	2,190,896	249,520	11.4	2,345,915	84.8
1934	2.50	21	2,622,993	1,789,344	68.3	2,478,712	306,517	12.4	2,095,861	79.9
1935	2.50	18	2,351,056	1,560,545	70.6	3,166,333	364,322	11.5	2,024,867	86.2
1936	2.50	17.5	2,308,408	1,773,754	76.8	3,507,863	648,301	18.5	2,422,055	104.9
1937	2.50	19	2,251,536	1,564,927	73.9	3,253,162	371,598	11.5	2,036,525	90.5
1938	2.50	19	2,036,474	1,599,637	78.5	3,460,098	267,828	7.7	1,867,465	91.7
1939	2.50	19	1,985,349	1,636,572	82.4	3,733,043	287,055	7.7	1,923,627	96.9
1940	.....	19	1,972,691	1,575,390	79.9	3,977,328	370,980	9.3	1,946,370	98.6
1941	.....	25	2,525,023	2,017,818	79.9	4,021,737	208,096	5.1	2,225,914	88.2
1942	.....	24	2,412,981	2,069,522	85.8	4,314,547	297,530	6.9	2,367,052	98.1
1943	.....	24	2,388,327	2,024,839	84.8	4,326,333	205,670	4.8	2,230,509	93.4

TABLE V—SCHOOL DISTRICT OF SCRANTON
CAPITAL OUTLAYS

Year	General Fund	Capital Account	Total
1918-19	\$13,759	\$7,704	\$21,463
1919-20	49,357	3,675	53,032
1920-21	196,933	.....	196,933
1921-22	98,273	.....	98,273
1922-23	518,836	647,335	1,166,171
1923-24	364,118	412,698	776,816
1924-25	142,407	.....	142,407
1925-26	112,445	11,466	123,911
1926-27	53,962	641,557	695,519
1927-28	75,348	595,318	670,666
1928-29	92,203	885,325	977,528
1929-30	54,806	876,080	930,886
Total 1919-1930	\$1,772,447	\$4,081,158	\$5,853,605
1930-31	\$91,993	\$513,177	\$605,170
1931-32	29,980	239,442	269,422
1932-33	31,343	830,651	861,994
1933-34	9,190	506,925	516,115
1934-35	13,836	15,730	29,566
1935-36	180,848	12,001	192,849
1936-37	6,675	1,010,168	1,016,843
1937-38	14,148	365,440	379,588
1938-39	39,071	.....	39,071
Total 1931-1939	\$417,084	\$3,493,534	\$3,910,618
1939-40	\$33,707	\$1,010	\$34,717
1940-41	16,226	.....	16,226
1941-42	22,539	.....	22,539
1942-43	56,106	.....	56,106
Total 1940-1943	\$128,578	\$1,010	\$129,588
Total	\$2,318,109	\$7,575,702	\$9,893,811

TABLE VI—SCHOOL DISTRICT OF SCRANTON

SCHEDULE OF BONDED DEBT

Year	Outstanding July 1	Issued	Repaid	Outstanding June 30	Sinking Fund	Net Bonded Debt
1917-18	\$	\$	\$	\$1,625,000	\$362,109	\$1,262,891
1918-19	1,625,000	. . . . .	125,000	1,500,000	287,942	1,212,058
1919-20	1,500,000	. . . . .	25,000	1,475,000	308,845	1,166,155
1920-21	1,475,000	. . . . .	50,000	1,425,000	310,874	1,114,126
1921-22	1,425,000	. . . . .	90,000	1,335,000	274,549	1,064,451
1922-23	1,335,000	1,000,000	. . . . .	2,335,000	359,722	1,975,278
1923-24	2,335,000	. . . . .	135,000	2,200,000	286,626	1,913,374
1924-25	2,200,000	. . . . .	125,000	2,075,000	253,657	1,821,343
1925-26	2,075,000	375,000	59,000	2,391,000	289,603	2,101,397
1926-27	2,391,000	3,000,000	121,000	5,270,000	379,843	4,890,157
1927-28	5,270,000	. . . . .	64,000	5,206,000	503,013	4,702,987
1928-29	5,206,000	. . . . .	115,000	5,091,000	555,154	4,535,846
1929-30	5,091,000	. . . . .	121,000	4,970,000	586,137	4,383,863
Total 1917-1930	. . . . .	\$4,375,000	\$1,030,000	. . . . .	. . . . .	. . . . .
1930-31	\$4,970,000	\$2,000,000	\$129,000	\$6,841,000	\$697,701	\$6,143,299
1931-32	6,841,000	. . . . .	180,000	6,661,000	722,803	5,938,197
1932-33	6,661,000	. . . . .	221,000	6,440,000	694,511	5,745,489
1933-34	6,440,000	. . . . .	270,000	6,170,000	486,578	5,683,422
1934-35	6,170,000	. . . . .	220,000	5,950,000	322,592	5,627,408
1935-36	5,950,000	. . . . .	225,000	5,725,000	94,351	5,630,649
1936-37	5,725,000	600,000	354,000	5,971,000	3,392	5,967,608
1937-38	5,971,000	1,000,000	327,000	6,644,000	24,982	6,619,018
1938-39	6,644,000	. . . . .	403,000	6,241,000	45,862	6,195,138
Total 1930-1939	. . . . .	\$3,600,000	\$2,329,000	. . . . .	. . . . .	. . . . .
1939-40	\$6,241,000	\$450,000	\$332,000	\$6,359,000	\$152,221	\$6,206,779
1940-41	6,359,000	432,000	549,000	6,242,000	231,388	6,010,612
1941-42	6,242,000	519,000	592,000	6,169,000	157,884	6,011,116
1942-43	6,169,000	329,000	573,000	5,925,000	89,092	5,835,908
Total 1939-1943	. . . . .	\$1,730,000	\$2,046,000	. . . . .	. . . . .	. . . . .
Total	. . . . .	\$9,705,000	\$5,405,000	. . . . .	. . . . .	. . . . .

TABLE VII—SCHOOL DISTRICT OF SCRANTON
PROJECTION OF DEBT SERVICE REQUIREMENTS
(Exclusive of Delinquent Tax Bonds)

Year	Debt Service Charges		Total
	Principal	Interest	
1944-45	\$463,000	\$189,716	\$652,716
1945-46	434,000	167,863	601,863
1946-47	384,000	148,413	532,413
1947-48	384,000	130,025	514,025
1948-49	384,000	111,627	495,627
1949-50	384,000	96,220	480,220
1950-51	384,000	81,319	465,319
1951-52	355,000	67,291	422,291
1952-53	292,000	55,069	347,069
1953-54	259,000	44,572	303,572
1954-55	259,000	34,365	293,365
1955-56	244,000	24,157	268,157
1956-57	134,000	16,288	150,288
1957-58	94,000	11,793	105,793
1958-59	94,000	8,147	102,147
1959-60	94,000	4,503	98,503
1960-61	14,000	857	14,857
1961-62	14,000	612	14,612
1962-63	14,000	368	14,368
1963-64	14,000	122	14,122
Total	\$4,698,000	\$1,193,327	\$5,891,327

TABLE VIII—SCHOOL DISTRICT OF SCRANTON
AVERAGE DAILY PUPIL ATTENDANCE AND NUMBER OF TEACHERS EMPLOYED

Year	BY TYPES OF SCHOOLS—1920-1943 INCLUSIVE											
	Senior High Schools			Junior High Schools			Elementary			Total		
	Pupils	Teachers	Pupil-Teacher Ratio	Pupils	Teachers	Pupil-Teacher Ratio	Pupils	Teachers	Pupil-Teacher Ratio	Pupils	Teachers	Pupil-Teacher Ratio
1919-20	1,955	73	28.1	...	...	....	17,157	505	33.9	19,112	578	32.0
1920-21	2,098	73	28.7	...	...	....	17,675	521	33.9	19,773	594	33.2
1921-22	2,432	77	31.5	...	...	....	19,819	537	36.9	22,251	614	36.2
1922-23	2,607	76	34.3	...	...	....	18,603	546	34.0	21,210	622	34.0
1923-24	2,696	83	32.4	...	...	....	19,247	554	34.7	21,943	637	34.4
1924-25	2,568	95	27.0	1,263	55	22.9	18,622	551	33.7	22,453	701	32.0
1925-26	2,701	100	27.0	1,510	55	27.4	19,223	571	33.6	23,434	726	32.2
1926-27	2,908 ¹	109	26.6	1,530	64	23.9	19,457	588	33.0	23,895	761	31.3
1927-28	3,115 ¹	110	28.3	1,350	65	20.7	19,072	617	30.9	23,537	792	28.7
1928-29	3,322	115	28.8	1,529	64	23.8	19,303	631	30.5	24,154	810	29.8
1929-30	3,590	124	28.9	1,495	65	23.0	18,949	638	29.7	24,034	827	29.0
1930-31	4,007	143	28.0	1,556	66	23.5	18,632	636	29.2	24,195	845	28.6
1931-32	4,728	163	29.0	1,613	67	24.0	18,286	626	29.2	24,627	856	28.7
1932-33	5,124	173	29.6	1,741	65	26.7	18,531	607	30.5	25,396	845	30.0
1933-34	5,021	173	29.0	3,745	139	26.9	15,978	523	30.5	24,744	835	29.6
1934-35	4,461	168	26.5	3,841	153	25.1	15,350	508	30.2	23,652	829	28.5
1935-36	4,101	165	24.8	3,454	143	24.1	16,670	513	32.4	24,225	821	29.5
1936-37	4,306	163	26.4	3,463	142	24.3	15,509	503	30.8	23,278	808	28.8
1937-38	4,277	165	25.9	4,292	172	24.9	14,039	493	28.4	22,608	830	27.2
1938-39	3,913	166	23.5	4,897	190	25.7	12,319	470	26.2	21,129	826	25.5
1939-40	3,825	160	23.9	5,335	207	24.8	11,643	436	26.7	20,603	803	25.6
1940-41	3,779	156	24.2	4,875	194	25.1	11,087	424	26.1	19,741	774	25.5
1941-42	3,662	156	23.4	4,242	184	23.0	10,028	392	25.5	17,932	732	24.4
1942-43 ²	4,579	214	21.3	1,957	96	20.3	9,058	377	24.0	15,594	687	22.6

¹ Estimated. ² West Scranton Regarded as Senior High School. Compiled by the office of the Superintendent of Schools. Supplied through the courtesy of the Scranton Board of School Directors.

