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**A SURVEY OF MONTANA'S PUBLIC SCHOOL BUILDING NEEDS
AND FINANCING ABILITY**

by

PAUL OLIVER PICTON, JR.

B.A., Dickinson State Teachers College, 1942

**Presented in partial fulfillment
of the requirements for the degree of
Master of Arts**

MONTANA STATE UNIVERSITY

1952

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Date Aug 20 1952

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CHAPTER I

THE PROBLEM AND DEFINITION OF TERMS USED

Increasing enrollments, enlarged curricula, changing economic status of the general population, changes in prices or the value of the dollar, and a twenty-odd year period of neglect of school housing have combined to place an ever-increasing load upon the financial structure of the public schools. School administrators and school boards now must face the problem of financing increasing instructional costs, construction of new or rehabilitation of old school plants during a period when the demands upon the tax system are the highest in the history of the United States.

Adams¹ predicted an increase in public school enrollments in Montana from the present level of about 107,000 to 122,120 in 1955, and 143,899 in 1960. Other estimates, based upon the number of births in Montana since 1948, over 15,000 each year, and the probable trends in the birth rate, show a possible enrollment of from 140,000 to 160,000 in 1960 if there is no great change in the present in-and-out migration pattern in Montana. In view of the above estimates

¹ Warren Duane Adams, "An Analysis of Montana's Public School Enrolments 1930-1950 and Projected Enrolments 1951-1960," (unpublished Master's thesis, Montana State University, Missoula, 1952), p. 34.

Montana schools must prepare to house and instruct 25 per cent more pupils in 1955, and from 45 to 60 per cent more in 1960 than in 1950.

During the past fifty years developments in education have had a revolutionary effect upon public school expenditures. The more schools attempt to serve the individual pupils--the physically handicapped, the bright, the dull, the nonverbal, and others--the higher will be the per-pupil expenditures and the lower the pupil-teacher ratio.²

The changing economic status of the population has several important effects upon the schools. Urbanism, automobiles, improved highways, rising living standards, improved health and sanitation, and improved school programs and practices have made it easier for children to attend school for longer periods with greater regularity.³ Over one half of the increase in public school expenditures between 1910 and 1950 can be traced to attendance factors.⁴ Rising living standards and the improved economic status have a large part in the creation of the demand for extension of public school programs downward to include kindergartens and

² Arvid J. Burke, Financing Public Schools in the United States (New York: Harper and Brothers, 1951), p. 43.

³ Ibid., p. 41.

⁴ Ibid., p. 41.

nursery schools and upward to include the thirteenth and fourteenth years. Adult education is becoming more and more essential as political, economic, and social problems become more complex.⁵

Consumer prices in 1950 were 220 per cent of the level in 1910 and average weekly wages 500 per cent of the 1910 level.⁶ The Engineering News Record reported that construction costs have more than doubled during the ten years from 1940 to 1950.⁷ All three of these factors have greatly influenced the cost of education by the public schools.

During three recent periods--the depression years, the war years, and the postwar years--school boards have found it almost impossible to proceed with the necessary school housing and capital outlay projects. During the depression, tax funds were not available; during the war years, essential conservation of materials needed by the war effort demanded the cooperation of all; and following the war, the inadequate supply of building materials and high

⁵ Ibid., p. 48.

⁶ The Handbook of Basic Economic Statistics, 1951 Annual Edition, Vol. V, No. 1 (Washington, D. C.: Economic Statistics Bureau of Washington, D. C., 1951), pp. 98-99, 24-25.

⁷ Federal Security Agency, Office of Education, State Provisions for Financing Public-School Capital Outlay Programs (Washington, D. C.: U. S. Government Printing Office, 1951), pp. 14-15.

prices have severely restricted and delayed the essential construction of new housing and the replacement of equipment vitally needed by the schools.⁸

The Office of Education, Federal Security Agency, in the first report of the School Facilities Survey, states that in the twenty-five states covered in the first report 40 per cent of the school plants now in use were rated "unsatisfactory" and that 21 per cent of the pupils were housed in these unsatisfactory school plants.⁹ The state-wide ratings of Montana schools are given in Table I.¹⁰

Great variations exist in the rates of assessment of property between the various counties in the State.¹¹ This condition, in conjunction with the large federal real estate holdings within certain counties,¹² seriously affects the ability of certain counties to support an adequate educational program.

⁸ Ibid., p. 12.

⁹ Federal Security Agency, Office of Education, First Progress Report, School Facilities Survey (Washington, D. C.: U. S. Government Printing Office, 1952), pp. 51, 53.

¹⁰ Infra., p. 16.

¹¹ S. Herbert Berg, "An Analysis of the Effect of the State Tax System on the Minimum Foundation Program for Education in Montana," (unpublished professional paper, Montana State University, Missoula, 1951), p. 22.

¹² Infra., p. 39.

All of the factors named affect the financing of the public schools in Montana. Although some of these factors are just beginning to make their influence felt on the schools within Montana, others have been problems for some time.

I. THE PROBLEM

Statement of the problem. The purpose of this study was the determination of the present and estimated future needs for school plant facilities and the ability of the present school financing program in Montana to meet these needs and provide adequate educational facilities for the young people of the State.

Importance of the problem. In most communities in Montana, education of the young people is the largest single business enterprise. Most of these communities are already experiencing difficulty in providing for the rapidly increasing demands on their educational facilities. The State has instituted the minimum foundation program for education¹³ but this program has proved to be inadequate in many situations.

With 30 per cent of the public school enrollment in Montana housed in unsatisfactory school plants, another 42

¹³ School Laws of the State of Montana, 1949 (Great Falls, Montana: Tribune Publishing Company, 1949), p. 115.

per cent in plants rated "fair"--plants requiring the removal of remediable defects thus making the plant satisfactory for use for the next ten to fifteen years¹⁴--an already high tax levy for school purposes in many counties,¹⁵ increasing enrollments, and increasing demands upon the educational system, the public schools in Montana face the critical problem of whether or not an adequate and above-average educational program can be offered to the young people of the State. According to the results of the 1950 census, the median number of school years completed by all persons twenty-five years of age and older was 10.2 as compared to 8.8 ten years earlier.¹⁶ In the United States as a whole, the median number of years of school completed was 9.3 in 1950.¹⁷

This is an enviable record, but will Montana be able to make the same claim in 1960? If the young people of Montana are to be adequately trained according to their various capabilities the schools must have adequate facilities. Without adequate school plant facilities the overcrowding,

¹⁴ Infra., p. 17.

¹⁵ Infra., p. 31.

¹⁶ U. S. Bureau of the Census, U. S. Census of Population: 1950, Vol. II, Characteristics of the Population (Washington, D. C.: U. S. Government Printing Office, 1952), pp. 27-28.

¹⁷ Article in Montana Business 4: 6; June, 1952.

poor facilities and equipment, and the resulting undesirable learning conditions will cause many of the young people to terminate their education at an earlier age--this in a period of increasing educational requirements for almost all types and levels of occupations.

A period of several years is needed to plan, build, and equip a modern educational plant. Already school boards in many of the school districts in Montana are finding plants, considered adequate to meet increased enrollments during the planning stages, overcrowded the first, second, or third year of use. The predicted increase in enrollments is not an estimate for the hazy future because many of the children have already been born and are reaching school age at the present time.

Montana's educational needs for the near future must be determined as soon as possible and, if present methods of financing prove inadequate to meet the demands, some other method or additional method must be considered, passed by the Legislative Assembly, and put into working order in the next few years.

History and present status of the problem. Kraft,¹⁸ in 1934, reviewed the history of school bonded indebtedness

¹⁸ Arthur W. Kraft, "School Bonded Indebtedness in Montana," (unpublished Master's thesis, Montana State University, Missoula, 1934).

in Montana through the year 1932. In 1936, Renne¹⁹ reported on the organization and costs of Montana schools and in 1948, Halcrow²⁰ presented a report on the Montana tax system. Berg,²¹ in 1951, analyzed the effect of the varied rates of assessments among the various counties in Montana on the minimum foundation program for education in Montana. These and other studies have shown some of the problems involved in the financing of Montana's public school system.

After the people approved a constitutional amendment, the Thirty-Second Legislative Assembly of the State of Montana acted in 1951 to relieve some of the difficulty of financing school plant construction by changing the limit for the maximum amount of indebtedness of each school district from 3 per cent to 5 per cent of the assessed valuation of the district.²²

The rapid increase in enrollments in the lower grades and the large increase in the number of pre-school age

¹⁹ Ronald R. Renne, Organization and Costs of Montana Schools, Agricultural Experiment Station Bulletin No. 325 (Bozeman: Montana State College, 1936).

²⁰ Harold G. Halcrow, Montana's Tax System, Agricultural Experiment Station Bulletin No. 452 (Bozeman: Montana State College, 1948).

²¹ Berg, op. cit.

Montana: Supplement to the School Laws of 1949 (Great Falls, Tribune Publishing Company, 1951), p. 24.

children prompted Adams²³ to make a study of public school enrollments and enrollment trends.

The Eighty-First Congress, realizing that little school plant construction was undertaken during the recent depression, the war years, and the post-war period of high costs, directed that a survey of public elementary and secondary school facilities be conducted in the forty-eight states, the District of Columbia, Alaska, Hawaii, Puerto Rico, and the Virgin Islands for the purpose of (1) (first phase) an inventory of existing school facilities, current needs for additional facilities, and state and local resources currently available for meeting these needs; (2) (second phase) development, state-by-state, of long-range master plans for programs of school plant construction.²⁴ Forty-five states were participating in this survey in 1952.²⁵ Recently Montana completed the first phase of the survey and some of the findings are included in this study.²⁶

²³ Adams, op. cit.

²⁴ Public Law No. 815, 81st. Congress, 2nd. Session, September 23, 1950.

²⁵ Federal Security Agency, First Progress Report, op. cit.

²⁶ School Facilities Survey, State-to-Federal Report, Summary of the School Facilities Survey, Report of New Construction Needed, (mimeographed reports, State Department of Public Instruction, Helena, Montana: 1952).

Certain states have already instituted state assistance programs for financing public school capital outlay expenditures, including construction costs. A comprehensive report on these programs has been published by the Federal Security Agency, Office of Education.²⁷

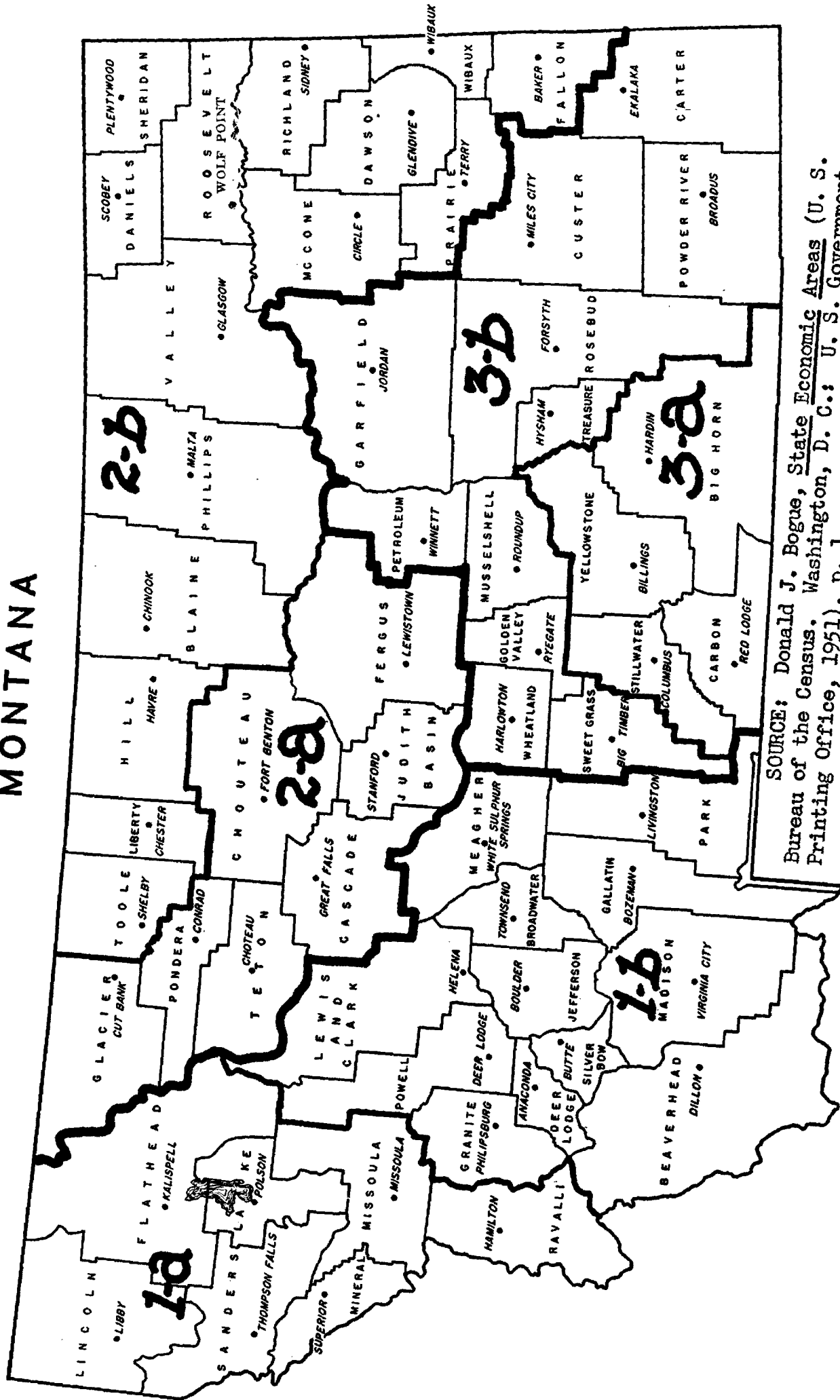
II. DEFINITIONS OF TERMS USED

Economic areas. The United States Bureau of the Census, in 1950, divided the states into economic areas intermediate in size between the state and county. The Census Bureau used certain significant characteristics which distinguished one area from another. These factors included climatic, cultural, demographic, economic, and physiographic variations as well as factors pertaining directly to the production and exchange of agricultural and nonagricultural goods. On this basis, Montana was divided into three major areas and six sub-areas,²⁸ following county lines, for statistical purposes. The economic areas in Montana are shown in Figure 1. The use of these economic areas makes possible the grouping of statistics on Montana schools for a better comparison of schools having similar problems. This

²⁷ Federal Security Agency, State Provisions, op. cit.

²⁸ Donald J. Bogue, State Economic Areas (U. S. Bureau of the Census. Washington, D. C.: U. S. Government Printing Office, 1951), p. 1.

MONTANA



SOURCE: Donald J. Bogue, State Economic Areas (U. S. Bureau of the Census, Washington, D. C.: U. S. Government Printing Office, 1951), p. 1.

FIGURE 1

STATE ECONOMIC AREAS

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study first considers the State as a unit then in part by each of the major economic areas and sub-areas in turn. These areas are as homogenous as possible in a state with such varied climatic, cultural, economic, and physiographic features.

Average number belonging. School pupil loads may be measured by several indices. Records²⁹ are kept giving original enrollments, average daily attendance, and average number belonging. The average number belonging, hereafter referred to as ANB, although it does not indicate the maximum pupil load, is the best measure of the average pupil load. The ANB index is used as the basis for the foundation program for state aid to the schools. ANB is determined by dividing the sum of the aggregate days attendance and the aggregate days absent by 180.³⁰ No single index of pupil load agrees numerically with any other such index. ANB was used in this study wherever possible; but for the predictions of increase in enrollments and the per cent of pupils attending rural schools, only the original enrollment data were available.

Capital outlay and debt liquidation expenditures. Public school expenditures may be classified as expenditures

²⁹ School Laws, op. cit., p. 28, Section 973.

³⁰ Ibid., p. 115.

for instructional purposes, maintenance, capital outlay, debt liquidation, and special facilities which include the school lunch programs, transportation, and other purposes unique to certain districts.³¹ Inasmuch as the capital outlay and debt liquidation expenditures are the only ones primarily concerned with providing school plant facilities, they, along with the total expenditures, are the only ones considered in this study.

Rural and town schools. The classification of schools as rural and town schools is that used by the State Department of Public Instruction in the Biennial Reports of that department.

III. ORGANIZATION OF REMAINDER OF THESIS

The remainder of this paper is divided into six parts. Chapter II deals with the problems on a state-wide basis. Chapters III, IV, and V deal with problems peculiar to each of the major economic areas. Chapter VI gives a brief outline of some of the financial aid programs for school plant construction in several other states. Chapter VII presents the conclusions of this study and some recommendations as to needed action within and by the State of Montana.

³¹ Ibid., pp. 55-56.

The scope of this study is limited by the use of the county as the smallest unit. This does not permit analysis of the problems which may exist at the district level, but the large number of districts and the difficulty in the collection of the data for the individual districts precluded their inclusion in this study.

CHAPTER II

STATE-WIDE NEEDS AND ABILITIES

The report of The First Phase of The School Facilities Survey in Montana, in which 90 per cent of the school districts cooperated, consists of (1) an inventory of existing school facilities in the State, (2) the over-all state-wide need for additional school facilities as needed for the start of the 1952-53 school year, and (3) the adequacy of the state and local resources available to meet school facilities requirements.¹

The inventory of existing school facilities, Table I, showed that of the 1,163 school plants inventoried in the State, 25.6 per cent were rated "unsatisfactory" and that 30.2 per cent of the pupils were housed in these unsatisfactory school plants, as shown in Table II. The report further states that in order to provide satisfactory facilities for all pupils for the 1952-53 school year, the school districts would have to spend approximately \$39,237,723, as explained in Table III. This amount would provide facilities to house only the enrollment at the start of the 1952-53 school year and makes no provision for the predicted

¹ School Facilities Survey, "State-to-Federal Report," (mimeographed report, State Department of Public Instruction, Helena, Montana: 1952), p. 1.

TABLE I

SCHOOL PLANT RATINGS FOR THE ECONOMIC AREAS AND THE STATE
1951

Area Class of school	Satisfactory		Fair		Unsatisfactory		Totals	
	Number of schools	Per cent	Number of schools	Per cent	Number of schools	Per cent	Number of schools	Per cent
<u>Montana</u>								
1st, 2nd, 3rd	76	22.7%	140	41.8%	119	35.5%	335	28.8%
Rural	61	7.4	588	71.0	179	21.6	828	71.2
Totals	137	11.8	728	62.6	298	25.6	1,163	
<u>Area 1</u>								
1st, 2nd, 3rd	30	21.7%	68	49.3%	40	29.0%	138	40.9%
Rural	30	15.1	124	62.3	45	22.6	199	59.1
Totals	60	17.8	192	57.0	85	25.2	337	
<u>Area 2</u>								
1st, 2nd, 3rd	30	24.0%	44	35.2%	51	40.8%	125	22.4%
Rural	17	3.9	329	75.8	88	20.3	434	77.6
Totals	47	8.4	373	66.7	139	24.9	559	
<u>Area 3</u>								
1st, 2nd, 3rd	16	22.2%	28	38.9%	28	38.9%	72	27.0%
Rural	14	7.2	125	69.2	46	23.6	195	73.0
Totals	30	11.2	163	61.1	74	27.7	267	

NOTE: 90 per cent of the schools in Montana reported in the survey.

SOURCE: Table prepared from raw data from The First Phase of the School Facilities Survey, Fall 1951, as furnished by W. L. Emert, State Director of The School Facilities Survey, State Department of Public Instruction, Helena, Montana.

TABIE II

SCHOOL PLANT RATINGS AND ENROLLMENTS FOR THE ECONOMIC AREAS AND THE STATE
1951

Area Class of school	Satisfactory			Fair			Unsatisfactory			Totals		
	No. schools	Enroll- ment	% Total enroll- ment	No. schools	Enroll- ment	% Total enroll- ment	No. schools	Enroll- ment	% Total enroll- ment	No. schools	Enroll- ment	% Total enroll- ment
<u>Montana</u>												
1, 2, 3	76	25,164	28.6%	140	34,677	39.5%	119	28,077	31.9%	335	87,918	88.5%
Rural	<u>61</u>	<u>2,076</u>	18.1	<u>588</u>	<u>7,403</u>	64.7	<u>179</u>	<u>1,972</u>	17.2	<u>828</u>	<u>11,451</u>	11.5
Totals	<u>137</u>	<u>27,240</u>	27.4	<u>728</u>	<u>42,080</u>	42.4	<u>298</u>	<u>30,049</u>	30.2	<u>1,163</u>	<u>99,369</u>	
<u>Area 1</u>												
1, 2, 3	30	9,542	24.1%	68	16,942	42.7%	40	13,192	33.2%	138	39,676	90.8%
Rural	<u>30</u>	<u>1,202</u>	29.8	<u>124</u>	<u>1,241</u>	48.1	<u>45</u>	<u>894</u>	22.1	<u>199</u>	<u>4,037</u>	9.2
Totals	<u>60</u>	<u>10,744</u>	24.6	<u>192</u>	<u>18,883</u>	43.2	<u>85</u>	<u>14,086</u>	32.2	<u>337</u>	<u>43,713</u>	
<u>Area 2</u>												
1, 2, 3	30	9,780	32.0%	44	10,745	35.2%	51	10,005	32.8%	125	30,530	85.3%
Rural	<u>17</u>	<u>466</u>	8.9	<u>329</u>	<u>4,010</u>	76.5	<u>88</u>	<u>767</u>	14.6	<u>434</u>	<u>5,243</u>	14.7
Totals	<u>47</u>	<u>10,246</u>	28.6	<u>373</u>	<u>14,755</u>	41.2	<u>139</u>	<u>10,772</u>	30.2	<u>559</u>	<u>35,773</u>	
<u>Area 3</u>												
1, 2, 3	16	5,842	33.0%	28	6,990	59.5%	28	4,880	27.5%	72	17,712	89.1%
Rural	<u>14</u>	<u>408</u>	18.8	<u>135</u>	<u>1,452</u>	66.9	<u>46</u>	<u>311</u>	14.3	<u>195</u>	<u>2,171</u>	10.9
Totals	<u>30</u>	<u>6,250</u>	31.4	<u>163</u>	<u>8,442</u>	42.5	<u>74</u>	<u>5,191</u>	26.1	<u>267</u>	<u>19,883</u>	

NOTE: 90 per cent of the schools in Montana reported in the survey.

SOURCE: Table prepared from raw data from The First Phase of the School Facilities Survey, Fall 1951, as furnished by W. L. Emmert, State Director of The School Facilities Survey, State Department of Public Instruction, Helena, Montana.

TABLE III
 ADDITIONAL SCHOOL FACILITIES NEEDED
 FOR THE SCHOOL YEAR 1952-53

Purpose	Pupils involved	Estimated cost
Rehabilitation and remodeling	add 1,993	\$ 2,979,050
New construction:		
a. New classrooms needed to:		
(1) relieve overcrowding	9,113	\$ 6,127,401
(2) house present enrollment increases	4,597	2,697,950
(3) replace obsolete buildings	<u>15,467</u>	<u>10,955,750</u>
Subtotal	29,177	\$19,781,101
b. Needed additions to existing buildings other than class- rooms		<u>14,633,560</u>
Total new construction		34,414,661
Site acquisitions and improvements		1,331,000
School busses needed (111)		<u>513,012</u>
Totals	<u>31,170</u>	<u>\$39,237,723</u>

SOURCE: School Facilities Survey, State-to-Federal Report
 (mimeographed report, State Department of Public Instruction, Helena,
 Montana, 1952), pp. 17-19.

increases in enrollments.

The Office of Education, Federal Security Agency, sums up reports of surveys by several national groups by stating:

. . . that the provision of sufficient classrooms for the increasing enrollments will require from 10 to 14 billion dollars by 1960. No allowance is made in these estimates for any further increase in building costs. The needed construction would demand an average rate of more than 1 billion dollars each year. Boards of education during the next 10 years must construct classrooms at a rate which requires expenditures for capital outlay 6 times as great as for the period from 1934 to 1949.

. . . The average annual investment in school construction from 1934 to 1949 was less than 200 million dollars.²

Montana has approximately 0.41 per cent of the total national public elementary and secondary school enrollments.³ Simple calculations show that, using the percentage basis and the national estimates, Montana schools must spend from \$4,100,000 to \$5,740,000 a year for the next ten years just to provide for the increase in public school enrollments. This expenditure is over and above the \$39,237,723 needed to provide adequate facilities for the 1952-53 school year.

² Federal Security Agency, Office of Education, State Provisions for Financing Public-School Capital Outlay Programs (Washington, D. C.: U. S. Government Printing Office, 1951), p. 11.

³ Federal Security Agency, Office of Education, First Progress Report, School Facilities Survey. (Washington, D. C.: U. S. Government Printing Office, 1952), p. 10.

Totaling the two estimates, allowing the \$39,237,723 to be spent over a ten-year period, shows that the average yearly requirements for capital outlay for Montana schools will be between \$8,023,000 and \$9,663,000 a year for the next ten years. This is a substantial increase over the \$6,946,335⁴ spent for capital outlay and debt liquidation purposes by Montana schools for the year 1949-50.

The school facilities report shows the average estimated cost per pupil for school plant construction was approximately \$1,179⁵ during the 1950-51 school year period. If the public school enrollments in the State increase from the present level of about 107,000 to 143,000 in 1960 the schools would have to spend \$42,444,000 just to provide the housing and equipment for these 36,000 new pupils. Using the national average figures for the eight-year period, 1952-60, needed expenditures to provide and equip the new plants needed to house the increased enrollments are estimated at \$32,800,000 to \$45,920,000. In proportion to the enrollment, Montana has about the same need for school facilities as does the nation as a whole.

⁴ State of Montana, State Department of Public Instruction, 1948-50 Biennial Report, 1950, p. 97.

⁵ School Facilities Survey, "Report of New Construction Needed," (mimeographed report, State Department of Public Instruction, Helena, Montana: 1952), p. 7.

The large increase in the yearly number of births in Montana during the post-war period, as shown in Table IV, will begin influencing the public school enrollments in 1952-53. The full impact of this increased number of births will not be felt by the schools until the 1964-65 school year when those children born in 1947 reach grade twelve. Predicted original enrollments for 1955 and 1960 are shown in Table V. Not all counties will experience an increase in public school enrollments, however. If past trends⁶ continue, substantial increases will occur in most of the counties containing urban centers, places of 2,500 inhabitants or more, while for counties with largely rural populations will experience decreases in enrollments. These predictions indicate a general increase in enrollments for the western section of the State and a general decrease, with exceptions for urban centers, for the eastern section. Figures 2 and 3 illustrate the predictions for 1955 and 1960, respectively. For the State, an increase of 15.6 per cent is expected by 1955 and 36.3 per cent by 1960.

Figure 4 shows the per cent of the pupils attending rural schools during the school year 1949-50. A study of these data shows that approximately 11.4 per cent of the pupils in Montana are attending rural schools, with these

⁶ Infra., pp. 27, 28

TABLE IV
 BIRTHS IN MONTANA
 1941-50

Year	Number of births	Birth rate
1950	15,592	26.4
1949	15,359	26.3
1948	14,992	25.7
1947	14,770	29.5
1946	12,661	25.3
1945	10,403	20.8
1944	10,765	23.1
1943	11,258	23.3
1942	11,588	20.7
1941	11,513	20.5

SOURCE: State of Montana, Montana State Board of Health, Twenty-third, Twenty-fourth, and Twenty-fifth Biennial Reports, 1946, 1948, 1950. Data for 1950 from Montana State Board of Health.

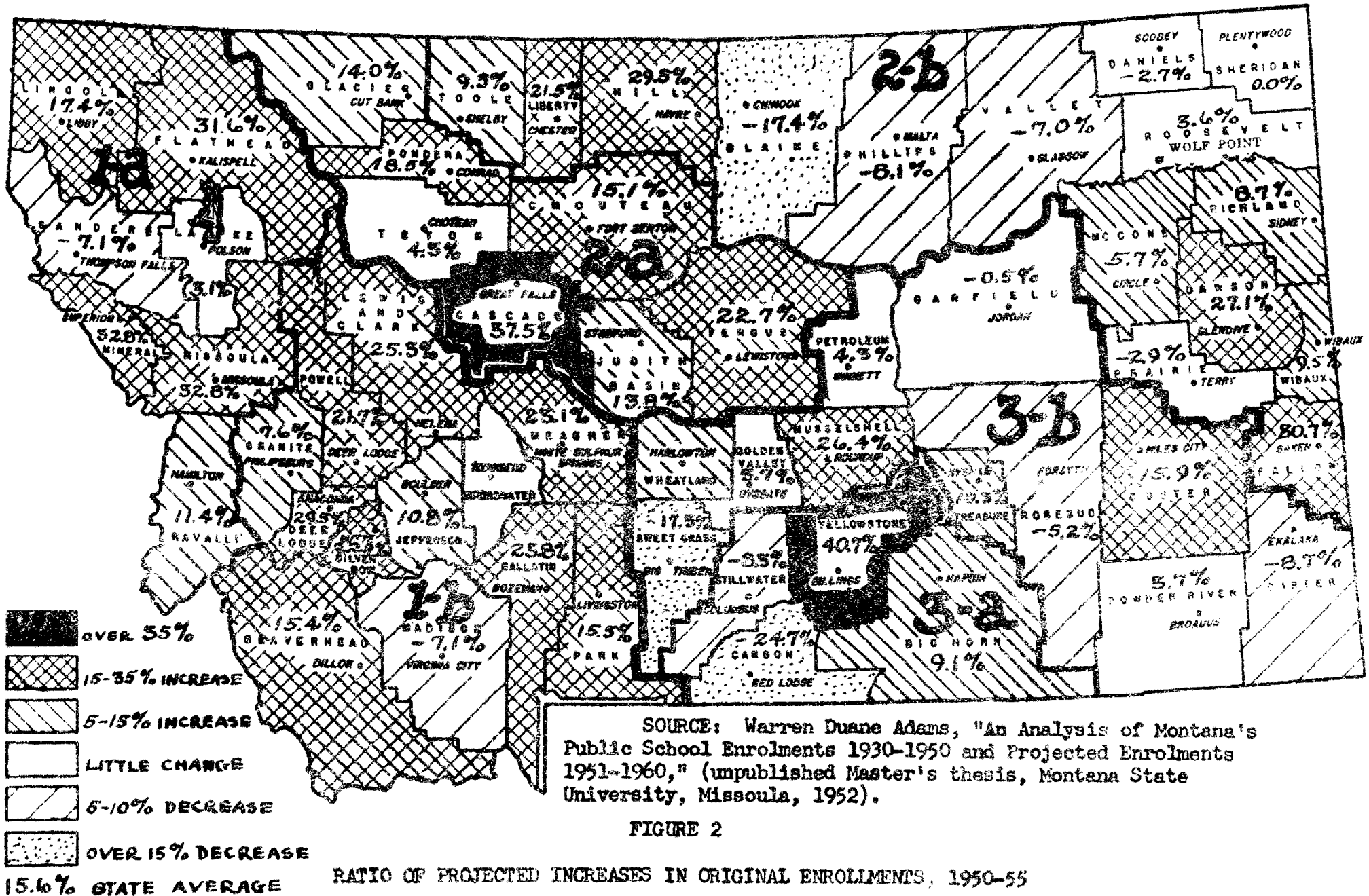
TABLE V
PROJECTED PUBLIC SCHOOL ENROLLMENTS FOR THE STATE AND ECONOMIC AREAS
1951-60

	School Years									
	1951-52	1952-53	1953-54	1954-55	1955-56	1956-57	1957-58	1958-59	1959-60	
Montana	107,347	111,081	116,705	122,120	127,512	132,602	136,594	140,360	143,899	
Area 1	45,540	47,314	50,150	52,724	55,316	57,541	59,328	61,081	62,684	
Area 2	36,670	39,679	41,169	42,685	44,206	45,799	46,991	48,058	49,079	
Area 3	23,137	24,088	25,386	26,693	27,990	29,262	30,275	31,221	32,136	

SOURCE: Warren Duane Adams, "An Analysis of Montana's Public School Enrollments 1930-1950 and Projected Enrollments 1951-1960," (unpublished Master's thesis, Montana State University, Missoula, 1952), p. 24.

rixton, "A Survey of Montana's Public School Building Needs and Financing Ability," 1952.

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Picton, "A Survey of Montana's Public School Building Needs and Financing Ability," 1952.

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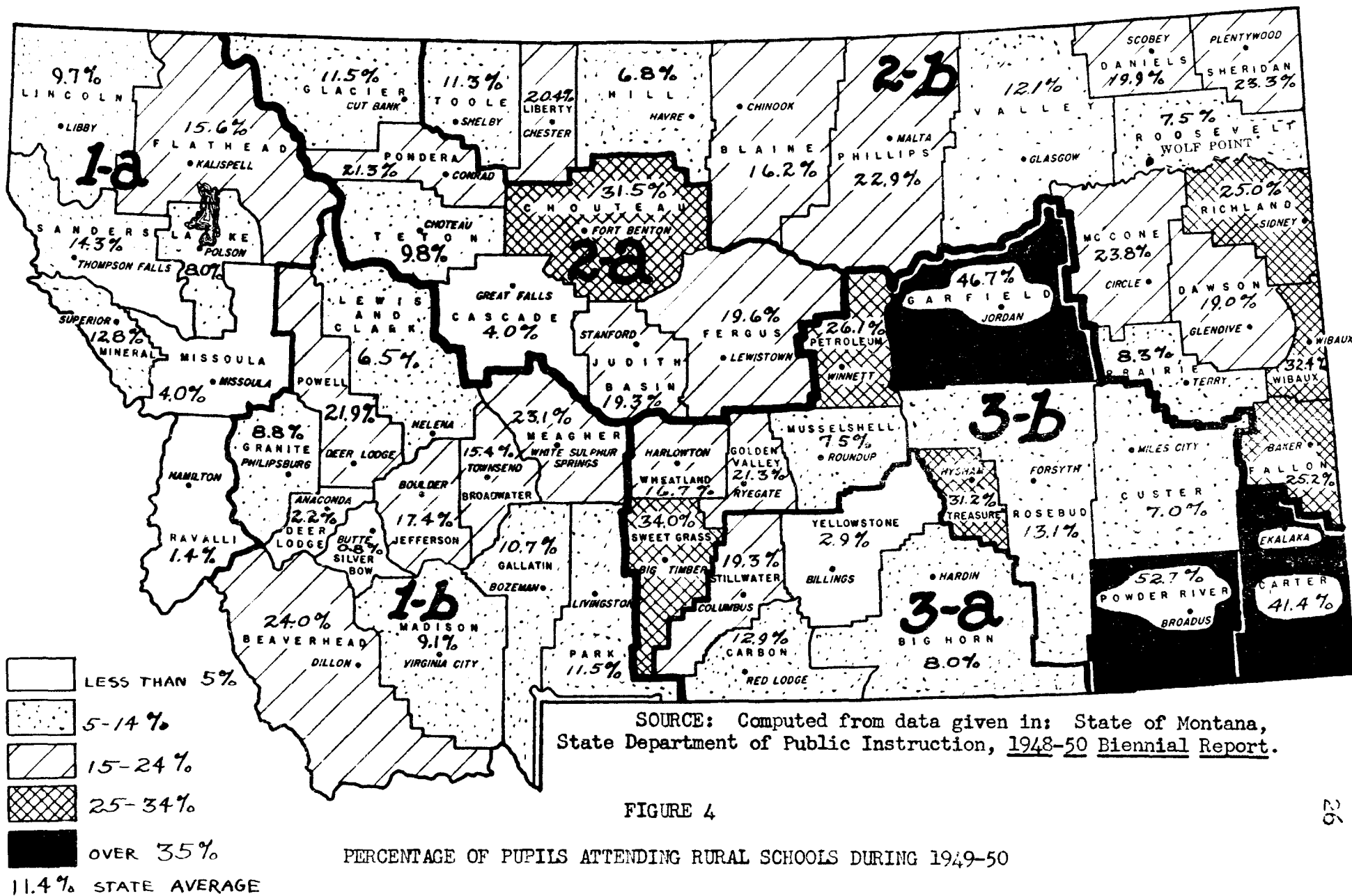


FIGURE 4

PERCENTAGE OF PUPILS ATTENDING RURAL SCHOOLS DURING 1949-50

23

rural schools comprising approximately 71.2 per cent of the total school plants in Montana. A study of the population data in Table VI shows that in certain of the economic areas, namely, 2 and 3, the population of the larger towns and cities has been increasing while that of the counties as a whole has been decreasing. This is an indication of the out-migration and the rural-to-urban shift of the general population within the State. These trends indicate that the city and town schools must bear an ever-increasing proportion of the public school enrollments with many rural schools being abandoned. The trend is for fewer and larger school districts, with the larger or consolidated district supporting a more extensive educational program.

A study of this type raises the question of whether or not the school districts within the counties will be able to meet the increasing demands for public school facilities under the present system of school finance in Montana. Figure 5 shows the taxable valuation per pupil, by counties, for the 1949-50 school year. This is a county-wide valuation and does not indicate the variations in taxable valuations per pupil among the various school districts within a county. Figure 6 gives the average county-wide mill levy for school purposes, excluding the university units, for the same year. A comparison of data given in these figures shows the counties with a low taxable valuation usually having the

TABLE VI
POPULATION AND URBANIZATION
TRENDS IN MONTANA
1940-50

Economic area	Population		Per cent increase 1940-50
	1950	1940	
Montana, total	591,024	559,456	5.6%
urban	258,034	215,827	19.6
nonurban	332,990	343,629	- 3.1
Per cent urban	43.7%	38.6%	
Area 1, total	265,855	249,662	6.5
urban	131,437	116,368	12.9
nonurban	134,418	133,294	0.8
Per cent urban	49.4%	46.6%	
1-a, total	111,681	96,720	15.5
urban	38,168	31,628	20.7
nonurban	73,513	65,092	12.9
Per cent urban	34.2%	32.7%	
1-b, total	154,174	152,942	0.8
urban	93,269	84,740	10.1
nonurban	60,905	68,202	-10.3
Per cent urban	60.5%	55.4%	
Area 2, total	200,880	197,701	1.6
urban	76,271	60,537	26.0
nonurban	124,609	137,164	- 9.2
Per cent urban	38.0%	30.6%	
2-a, total	100,485	89,682	12.0
urban	49,508	38,311	29.2
nonurban	50,977	51,371	- 0.8
Per cent urban	49.3%	42.7%	
2-b, total	100,395	108,019	- 7.1
urban	26,763	22,226	20.4
nonurban	73,632	85,793	-14.2
Per cent urban	26.7%	20.6%	

-continued on next page-

TABLE VI (continued)
 POPULATION AND URBANIZATION
 TRENDS IN MONTANA
 1940-50

Economic area	Population		Per cent increase 1940-50
	1950	1940	
Area 3, total	124,231	112,050	10.9%
urban	50,326	38,922	29.3
nonurban	73,905	73,128	1.1
Per cent urban	40.5%	34.7%	
3-a, total	81,356	69,160	17.6
urban	38,227	28,965	32.0
nonurban	43,129	40,195	7.3
Per cent urban	47.0%	41.9%	
3-b, total	42,875	42,890	0.0
urban	12,099	9,957	21.5
nonurban	30,776	32,933	- 6.5
Per cent urban	28.2%	23.2%	

NOTE: Urban classification includes all places of 2,500 or more inhabitants in 1950. Previous to 1950 the U. S. Bureau of the Census used a slightly different classification for urban; therefore, the figures for 1940 as given in this table do not agree exactly with the census figures for this year. The number of inhabitants of Yellowstone Park, 58 in 1950 and 43 in 1940, are included only in the State totals.

SOURCE: U. S. Bureau of the Census, U. S. Census of Population: 1950. Vol. I, Number of Inhabitants, Chapter 26: Montana (Washington, D. C.: U. S. Government Printing Office, 1951), p. 16.

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Picton, "A Survey of Montana's Public School Building Needs and Financing Ability," 1952.

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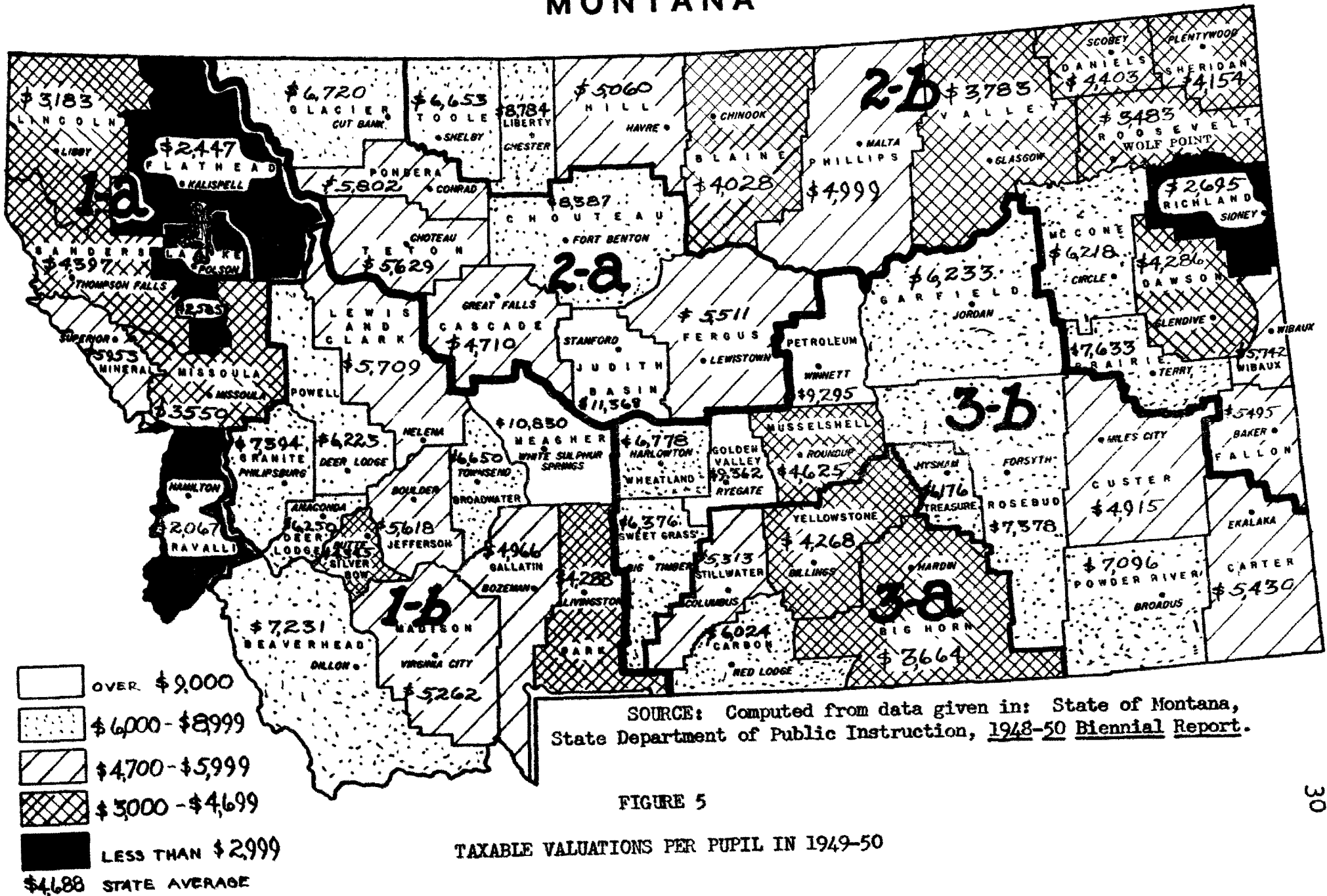


FIGURE 5

TAXABLE VALUATIONS PER PUPIL IN 1949-50

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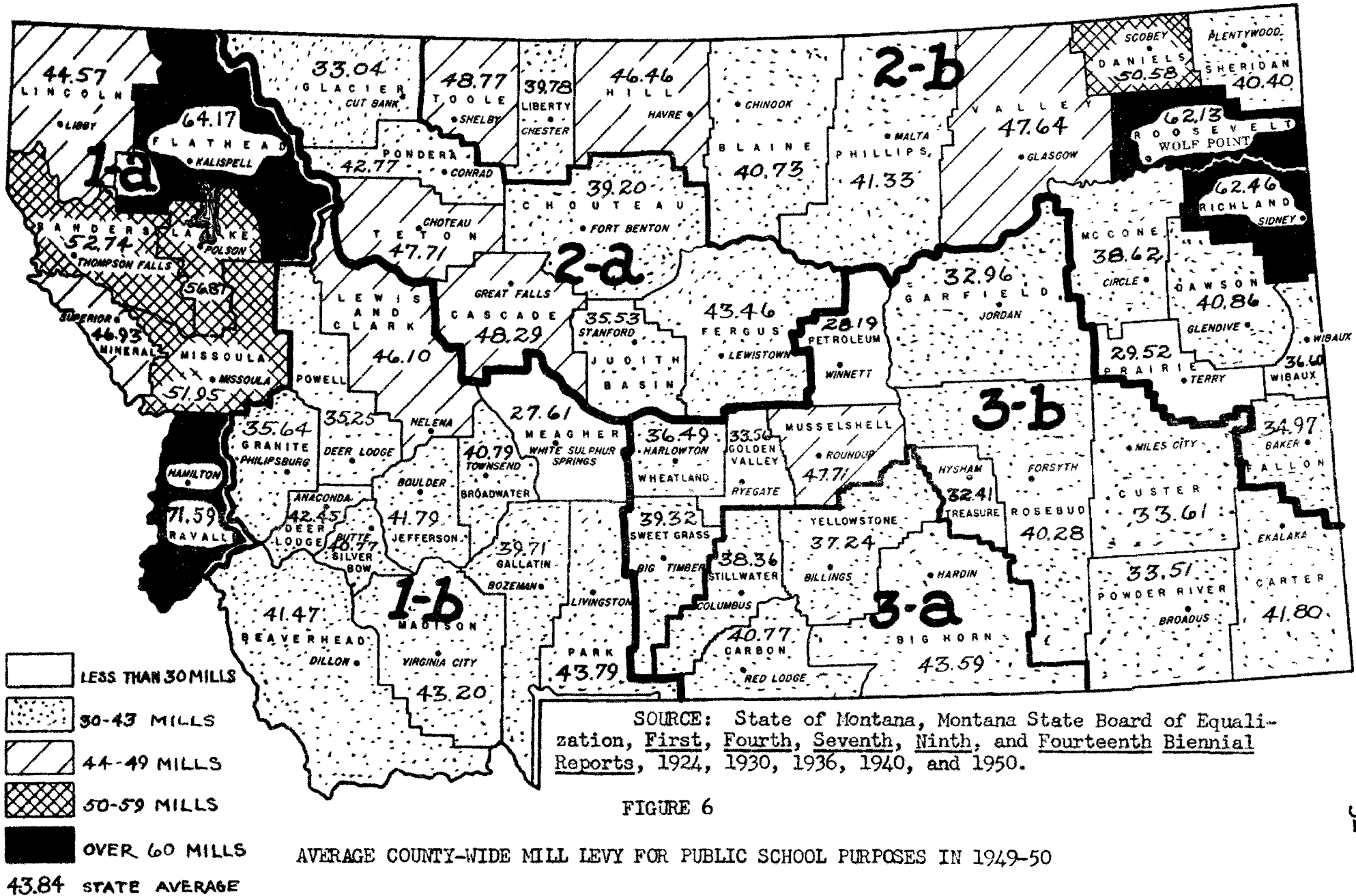


FIGURE 6

AVERAGE COUNTY-WIDE MILL LEVY FOR PUBLIC SCHOOL PURPOSES IN 1949-50

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highest average mill levies. Data in Figure 7 show these same counties using a comparatively higher percentage of the property tax dollar for school support purposes. Figure 8 illustrates the state-wide trend for the period 1924-50. Further comparison with data in Figures 2 and 3⁷ shows that many of these same counties, already experiencing difficulty in providing adequate school facilities, will probably experience some of the largest increases in enrollments by 1955 and 1960. Population and enrollment trends⁸ indicate the migration from eastern Montana, an area with usually high taxable valuations per pupil, to the western part of the State where the taxable valuation per pupil is already quite low.

Analyzing the total expenditures per pupil shows the predominantly rural counties having a higher per-pupil expenditure than the more urbanized counties. The large number of rural schools, with low teacher-pupil ratios and therefore high pupil-unit expenditures, in certain counties tends to raise the county-wide average pupil-unit costs.

Figure 9 gives county-wide average total expenditures for school purposes per pupil for the 1949-50 school year. A study of the data shown in this figure, and in Figures 5

⁷ SUPRA., pp. 24-25.

⁸ SUPRA., pp. 28-29.

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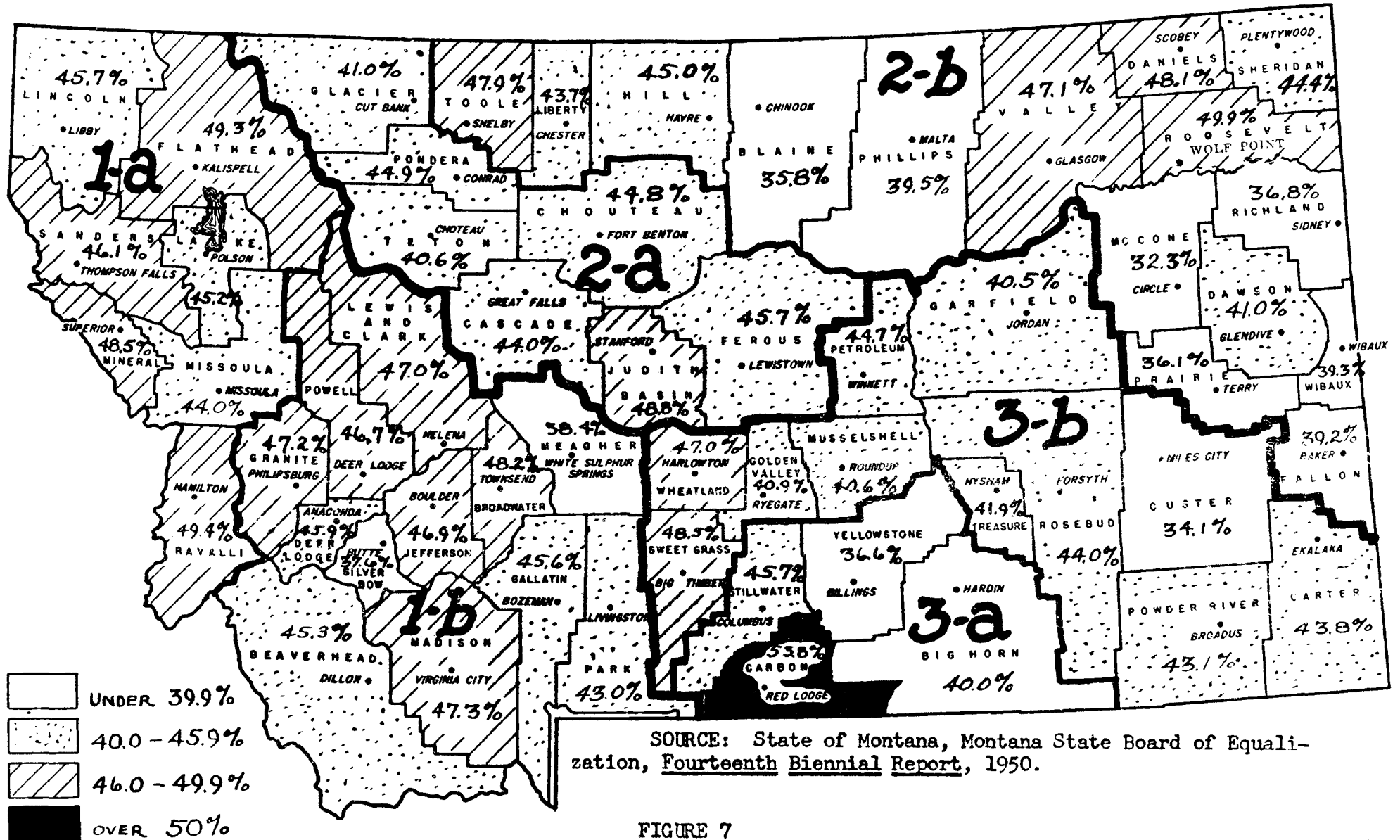
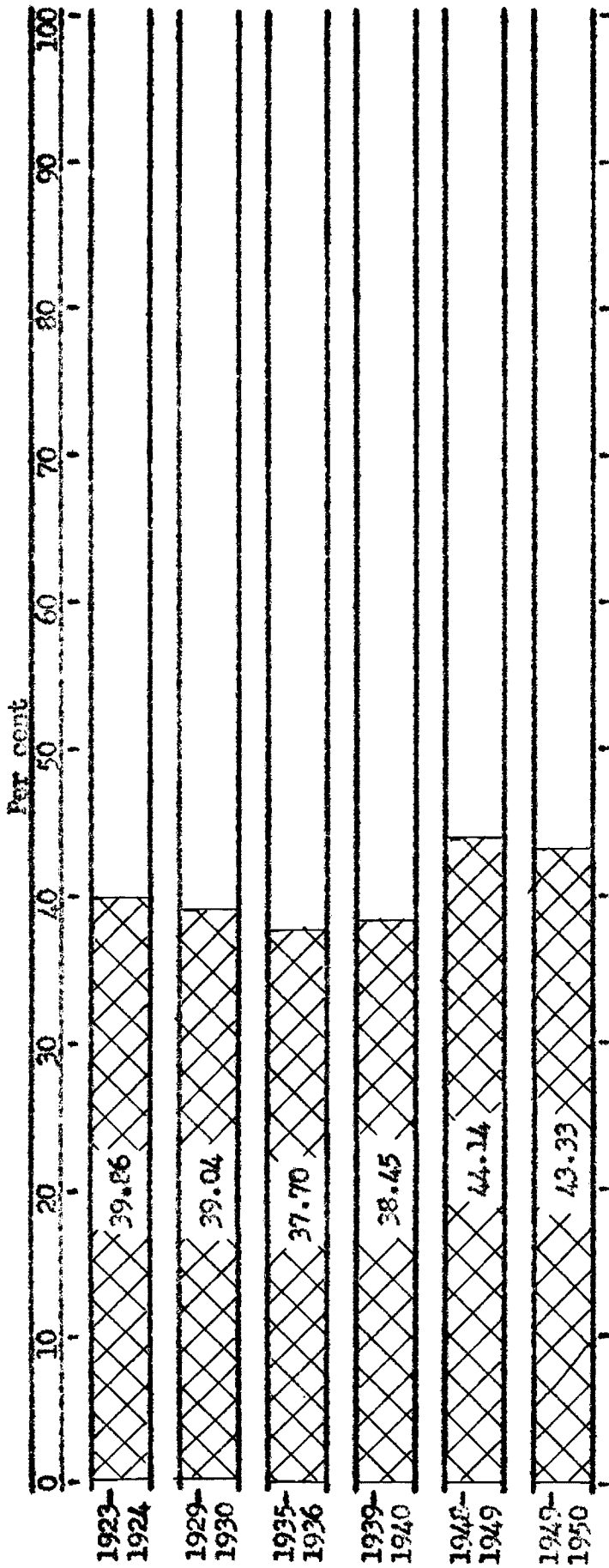


FIGURE 7

PERCENTAGE OF THE PROPERTY TAX DOLLAR USED FOR PUBLIC SCHOOL PURPOSES IN 1950

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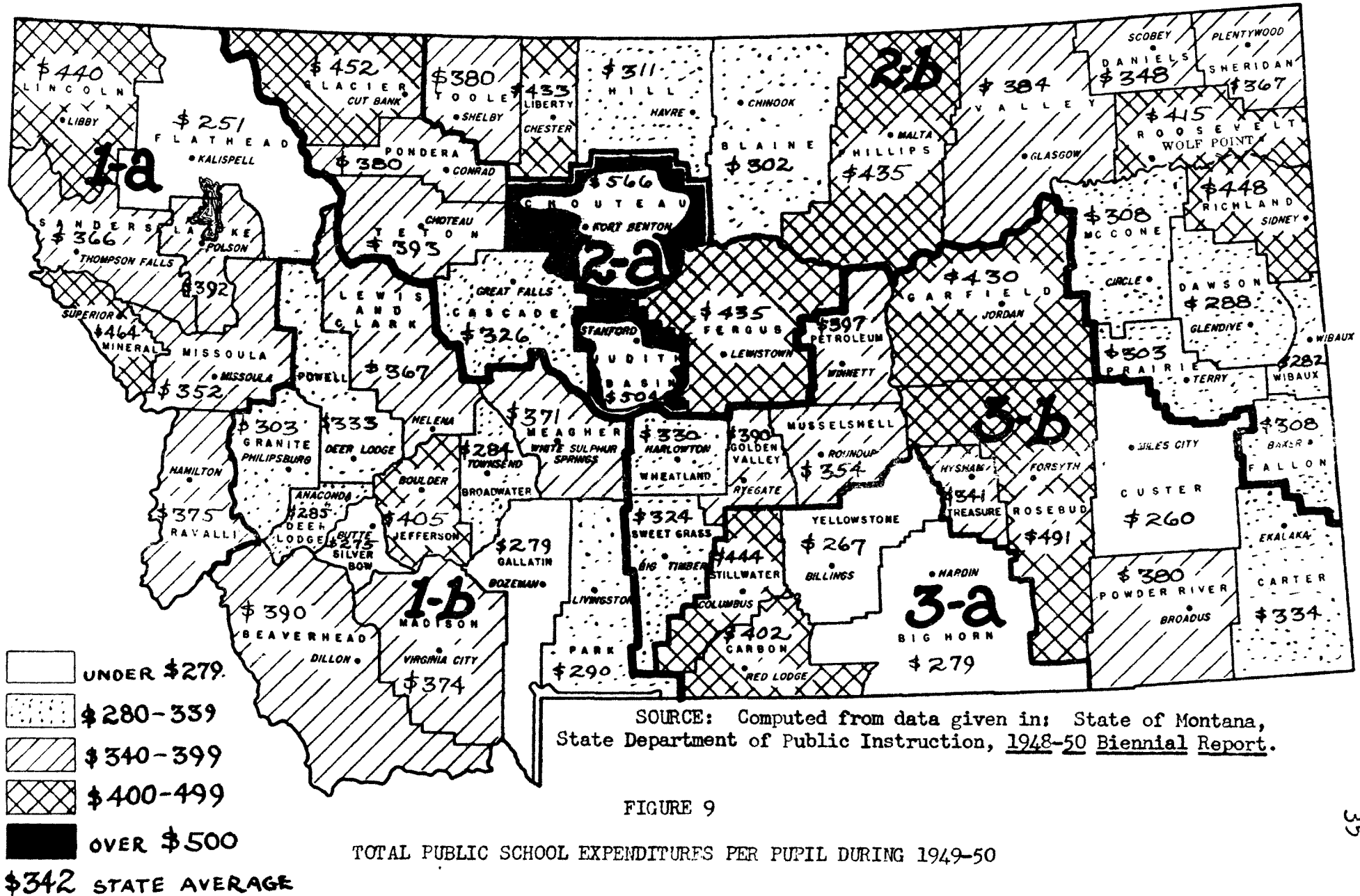


NOTE: Percentages used do not include the university units.

SOURCE: State of Montana, Montana State Board of Equalization, First, Fourth, Seventh, Ninth, and Fourteenth Biennial Reports, 1924, 1930, 1936, 1940, and 1950.

FIGURE 8
 PERCENTAGE OF THE PROPERTY TAX DOLLAR USED FOR PUBLIC SCHOOL PURPOSES
 FOR SELECTED YEARS IN MONTANA

MONTANA



and 6,⁹ shows the counties having low valuations and high tax levies spending per-pupil unit about the same or less than the state-wide average. As the enrollments increase, without a corresponding increase in available taxing ability, these counties will be less and less able to provide adequate educational programs. Figure 10 shows a six-year average percentage of the total school expenditures used for capital outlay and debt liquidation purposes in each county. The records show that many of the counties have been making a considerable effort to supply good school plant facilities for their children, while others have done very little about this. Many of the counties, however, have experienced decreasing enrollments during and since the depression period and, therefore, have had adequate space within their school plants and have had little need for new construction. Most of these plants are from twenty to thirty years old and older¹⁰ and will soon have to be remodeled or replaced if these districts are to continue to have satisfactory school plants according to present day standards.

Other conditions further complicate the school financing abilities of many counties in Montana. Federal ownership

⁹ Supra., pp. 30-31.

¹⁰ School Facilities Survey, "State-to-Federal Report," op. cit., p. 9.

of real estate and other federal activities are of great importance in the taxation picture in many Montana counties. Figure 11 shows the distribution of federal real estate in Montana for the year 1948 and Table VII shows the relative importance of federal real estate valuations in Montana. Table VIII shows the relative importance of these holdings, by size, in each of the economic areas and for the State as a whole.

Federal ownership of real estate in Montana has given rise to fiscal problems in at least three areas of governmental activities within the state. These areas include: (1) the financing of county governments and activities in general, (2) the education of Indian children in the public schools, and (3) the education of children in the vicinity of the big river dam projects.¹¹

Considering each of these three areas in turn, the most serious problem in Montana, as well as in other western states, is the failure of such lands to bear an equitable share of the total property tax burden.¹² This problem is particularly important to the schools of Montana due to the

¹¹ Committee on Tax Education and School Finance, Status and Fiscal Significance of Federal Lands in the Eleven Western States. (Washington, D. C.: National Education Association of the United States, 1950), p. 70.

¹² Article in the Montana Taxpayer, 6: 5; September, 1948.

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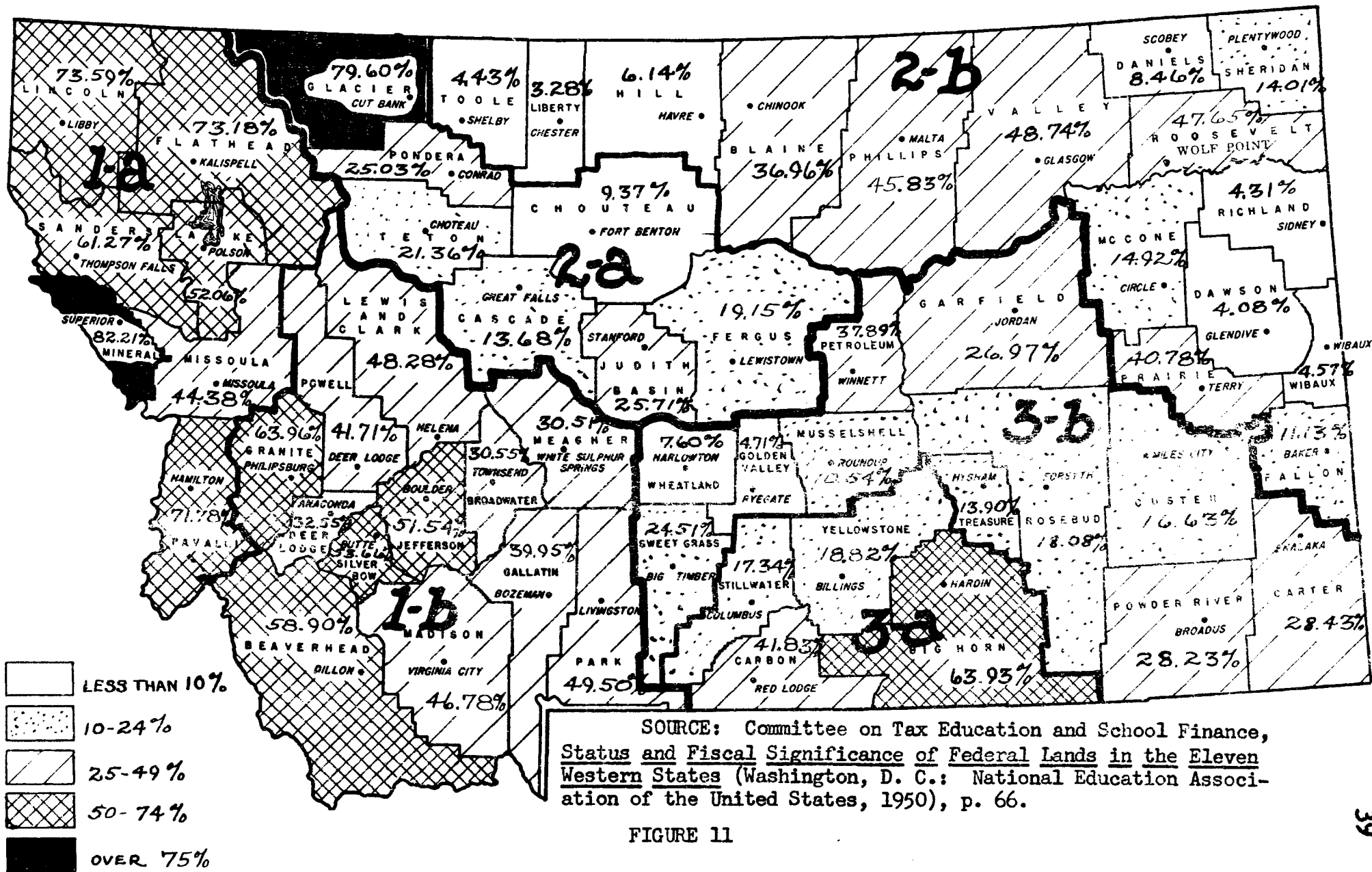


FIGURE 11

PERCENTAGE OF FEDERALLY OWNED REAL ESTATE IN 1948

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TABLE VII

**RELATIVE IMPORTANCE OF FEDERAL REAL ESTATE
VALUATIONS IN MONTANA
1948**

Real estate held by	Taxable valuation 1948	Per cent of total
Outside cities and towns:		
Forest Service	\$25,853,606	53.58%
Bureau of Indian Affairs	9,228,791	19.13
Bureau of Land Management	4,558,654	9.45
Soil Conservation Service	1,643,117	3.40
National Park Service	1,367,856	2.83
Fish and Wildlife Service	452,678	0.94
Bureau of Reclamation	419,921	0.87
U. S. Corps of Engineers—Civil Lands	201,275	0.42
Miscellaneous	1,239,220	2.57
Subtotal	\$44,965,218	93.19%
Within cities and towns:		
Public Buildings Administration	\$ 1,234,808	2.56%
Miscellaneous	2,051,525	4.25
Subtotal	\$ 3,286,333	6.81%
State total	\$48,251,551	100.00%

SOURCE: Committee on Tax Education and School Finance, Status and Fiscal Significance of Federal Lands in the Eleven Western States (Washington, D. C.: National Education Association of the United States, 1950), p. 65, citing estimates compiled by the Montana Education Association.

TABLE VIII
RELATIVE IMPORTANCE OF FEDERAL REAL ESTATE
HOLDINGS IN MONTANA
1948

Area	Per cent of land federally owned	Ratio of federal valuation to total taxable valuation
Montana	36.58%	11.57%
Area 1	55.18	17.53
1-a	66.41	27.34
1-b	47.58	12.40
Area 2	26.26	7.98
2-a	27.00	5.89
2-b	25.87	10.15
Area 3	27.44	7.40
3-a	42.40	5.16
3-b	21.53	10.31

SOURCE: Committee on Tax Education and School Finance, Status and Fiscal Significance of Federal Lands in the Eleven Western States (Washington, D. C.: National Education Association of the United States, 1950), p. 66.

heavy reliance placed upon property taxes for school support. Another closely related problem is that of competition with county, state, and privately owned lands. M. P. Moe stated the case in the following terms:

. . . It has been argued that the leases charged and funds turned over to the state and local governments are much less than the amounts paid under private ownership. It is believed that these lower rentals on federal lands tend to lower rentals on state and private lands and also encourage tax delinquency and forfeiture of private lands.¹³

With the elimination of the Federal Indian Schools within the State, the school districts must depend upon the largess of Congress for partial aid in the education of the children of Indian blood. This aid does not equal the cost for the education of these children; therefore, the remainder of the cost must be met through normal school finance channels.

Table IX shows the influence of the Indian reservations on the surrounding school districts. The per-pupil cost of education in Montana for 1947-48 was \$245. With state aid for 1948-49 estimated at \$54 per pupil, this would leave \$191 per pupil to be raised locally. The federal government contributed \$81.53 per Indian pupil in 1947-48. Using the total costs per-pupil and the federal contributions in

¹³ Martin P. Moe, "Montana and Federal Aid," Montana Education, 21: 3-5; May, 1945.

TABLE IX

RELATIVE IMPORTANCE OF FEDERAL CONTRIBUTIONS
FOR INDIAN EDUCATION IN MONTANA
1947-48

Reservation	Taxes lost thru tax-exempt lands	School district reimbursement, Office of Indian Affairs	Difference, taxes lost and reimbursements	Number of children with one-fourth degree or more Indian blood	Reimbursement per child
Blackfeet	\$ 86,560	\$ 59,908	\$ 26,652	687	\$ 87.20
Becknap	97,285	18,959	78,326	192	98.74
Crow	256,320	9,994	246,326	498	20.07
Cheyenne	25,532	6,378	29,154	117	54.51
Flathead	135,660	12,993	122,667	166	78.27
Fort Peck	223,515	63,001	160,514	407	154.79
Rocky Boy	---	4,945	4,945	94	52.61
Totals	1,054,672	4176,176	2,656,674	2,161	\$ 81.53

SOURCE: Committee on Tax Education and School Finance, Status and Fiscal Significance of Federal Lands in the Eleven Western States (Washington, D. C.: National Education Association of the United States, 1950), p. 72.

1947-48 and the estimated amount of state aid for 1948-49, calculations show the district must contribute an average of \$109.47 per Indian pupil to finance the school program. Since the Indian lands are under federal jurisdiction and are therefore exempt from state and local taxation in Montana, both by constitutional and statutory provisions, the \$109.47 per Indian pupil must be contributed by taxation of the private property within the district.¹⁴ Table X shows the situation during the 1948-49 and 1949-50 school years. The federal government, at the request of the Montana State Department of Public Instruction, granted a deficiency appropriation of \$231,323 for aid to those districts educating Indian children. The federal reimbursement for 1949-50 was larger than the original for 1948-49 but the number of Indian pupils attending the public schools also increased substantially. By granting a deficiency appropriation in 1948-49 the federal government paid a more equitable share of the cost of educating these Indian children for that year but failed to do so in 1949-50.

Recent and projected federal activities within certain areas of Montana have given, and are giving, rise to many financial problems for the school districts concerned. Without some sort of federal aid these districts would not be

¹⁴ Committee on Tax Education, op. cit., p. 72.

TABLE X
THE SCOPE OF INDIAN EDUCATION
1948-50

	1948-49	1949-50
Number attending public elementary and high schools	2,906	3,139
Average daily attendance of above	2,235	2,468
Number of school districts involved	47	44
Number of schools involved	68	65
Federal reimbursements	\$212,380	\$322,006
Deficiency appropriation	<u>231,323</u>	
	\$443,723	
Value of tax-exempt lands in the districts above: \$20,000,000		

SOURCE: State of Montana, 1948-1950 Biennial Report of the State Department of Public Instruction (Helena, Montana: Naegle Printing Company, 1950), pp. 72-73.

able to provide more than a minimum education for the children of the employees involved in these activities.

Recognizing that there are benefits from federal activities, many Montanans feel that those who benefit should be the ones to pay at least part of the tax-cost associated with real estate ownership. To illustrate, substantial benefits are derived from Missouri River dam projects by people living many hundreds of miles away in the Mississippi Valley. It is believed that Montana should receive some compensation for federal lands in the state used in this manner.¹⁵

The wide variations in the rate of assessments has placed the foundation program¹⁶ under severe handicaps.

Berg sums up the problem stating:

Although all counties levy the same number of mills under the foundation program there is still the problem of unequal assessments between the various counties. . . . Most of this, of course, stems from the fact that there has never been a reclassification of lands since the lands were originally classified in 1919. . . . Some counties are now in the process of reclassification but even though this would mean equalization of assessments within the county, that does not necessarily mean that there would be equal and uniform assessments between the counties. There would still be fifty-six different assessors who would use their own methods in assessing properties within their counties. Since state aid of a necessity must be on a county basis, and there is still no uniform method of assessments, the problem of distribution of state funds on an equal basis still exists.¹⁷

¹⁵ Committee on Tax Education, *op. cit.*, p. 71, citing N. W. Edwards, Secretary, Montana Association of County Commissioners, Interview in Bozeman, June 14, 1949.

¹⁶ School Laws of the State of Montana, 1949 (Great Falls, Montana: Tribune Publishing Company, 1949), p. 115, Section 3, Chapter 199, Laws of 1949.

S. Herbert Berg, "An Analysis of the Effect of the State Tax System on the Minimum Foundation Program for Education in Montana," (unpublished professional paper, Montana State University, Missoula, 1951), pp. 39-40.

Summary. Public school financing problems in Montana result from a large variety of sources. The lack of school plant construction during the past twenty-odd years, increased number of births and increasing population, higher tax levies for other governmental expenditures, population migration trends, large areas of nontaxable real estate, inadequate federal aid for support of education of Indian children, the large number and variety of federal activities within the State, and the unequal rate of assessments among the fifty-six counties all serve to complicate the school support picture at a time when the public schools are preparing to provide more education for a greater number of pupils than ever before in the history of the State.

CHAPTER III

NEEDS AND ABILITIES IN ECONOMIC AREA 1

The needs and financing abilities of the nineteen counties comprising economic area 1¹ were analyzed by the use of figures and tables presenting the condition of school plants, trends and predictions for population and enrollments, and data presenting the past record of school finance in each of the counties in area 1.

School plant ratings. Tables XI and XII present the ratings of school plants in each county by the school facilities survey. A study of these tables and Tables I² and II³ reveals that 25.2 per cent of the school plants in area 1 were classified as "unsatisfactory" and that 32.2 per cent of the enrollment in the public schools was housed in these unsatisfactory plants as compared to 43.2 per cent housed in the 57.0 per cent of the plants receiving a "fair" rating and 24.6 per cent housed in the 11.8 per cent of the plants rated "satisfactory." Rural schools comprise 59.1 per cent of the school plants in this area but house only 9.2 per cent of the pupils. In area 1-a the rural 56.5 per cent of the school

¹ Supra., p. 11.

² Supra., p. 16.

³ Supra., p. 17.

TABLE XI

SCHOOL PLANT RATINGS AND ENROLLMENTS FOR AREA 1-a
1951

County	Satisfactory			Fair			Unsatisfactory			Totals	
	No. schools	Enroll-ment	% Total enrollment	No. schools	Enroll-ment	% Total enrollment	No. schools	Enroll-ment	% Total enrollment	No. schools	Enroll-ment
<u>Montana</u>											
1st, 2nd, 3rd	76	25,164	28.6%	140	34,677	39.5%	119	28,077	31.9%	335	87,918
Rural	61	2,076	18.1	588	7,403	64.7	179	1,972	17.2	828	11,451
Totals	137	27,240	27.4	728	42,080	42.4	298	30,049	30.2	1,163	99,369
<u>Area 1-a</u>											
1st, 2nd, 3rd	16	5,069	25.3%	30	7,893	39.5%	20	7,044	35.2%	66	20,006
Rural	13	588	25.4	49	1,003	43.3	24	724	31.3	86	2,315
Totals	29	5,657	25.3	79	8,896	39.9	44	7,768	34.8	152	22,321
<u>Flathead</u>											
1st, 2nd, 3rd	6	2,071	39.0%	4	449	8.5%	9	2,777	52.5%	19	5,297
Rural	2	86	7.5	24	453	40.5	15	581	52.0	41	1,120
Totals	8	2,157	34.0	28	902	14.0	24	3,358	52.0	60	6,417
<u>Lake</u>											
1st, 2nd, 3rd	—	—	—	5	1,458	50.5%	3	1,432	49.5%	8	2,890
Rural	2	83	39.0	3	65	30.5	3	64	30.5	8	212
Totals	2	83	2.5	8	1,523	49.0	6	1,496	48.5	16	3,102
<u>Lincoln</u>											
1st, 2nd, 3rd	—	—	—	4	1,800	100.0%	—	—	—	4	1,800
Rural	1	62	30.0	5	130	62.0	3	17	8.0	9	209
Totals	1	62	3.0	9	1,930	96.0	3	17	1.0	13	2,009
<u>Mineral</u>											
1st, 2nd, 3rd	—	—	—	2	325	71.0%	1	132	29.0%	3	457
Rural	1	19	37.0	5	33	63.0	—	—	—	6	52
Totals	1	19	3.5	7	358	70.5	1	132	26.0	9	509
<u>Missoula</u>											
1st, 2nd, 3rd	7	2,271	42.5%	5	1,022	19.0%	3	2,053	38.5%	15	5,346
Rural	3	99	33.5	8	177	60.0	1	19	6.5	12	291
Totals	10	2,370	42.0	13	1,199	21.0	4	2,072	37.0	27	5,641
<u>Ravalli</u>											
1st, 2nd, 3rd	2	607	24.5%	6	1,731	70.0%	1	139	5.5%	9	2,477
Rural	2	107	57.5	2	79	42.5	—	—	—	4	186
Totals	4	714	27.0	8	1,810	68.0	1	139	5.0	13	2,663
<u>Sanders</u>											
1st, 2nd, 3rd	1	120	7.0%	4	1,108	64.0%	3	511	29.0%	8	1,739
Rural	2	132	55.0	2	66	27.0	2	43	18.0	6	241
Totals	3	252	12.5	6	1,174	59.5	5	554	28.0	14	1,980

NOTE: 90 per cent of the schools in Montana reported in the survey.

SOURCE: Table prepared from raw data from The First Phase of the School Facilities Survey, Fall 1951, as furnished by W. I. Smert, State Director of The School Facilities Survey, State Department of Public Instruction, Helena, Montana.

TABLE XIII

SCHOOL PLANT RATINGS AND ENROLLMENTS FOR AREA 1-b
1951

County	Satisfactory			Fair			Unsatisfactory			Totals	
	No. schools	Enroll-ment	% Total enrollment	No. schools	Enroll-ment	% Total enrollment	No. schools	Enroll-ment	% Total enrollment	No. schools	Enroll-ment
Montana											
1st, 2nd, 3rd	76	25,164	28.6%	140	34,677	39.5%	119	28,077	31.9%	335	87,918
Rural	63	2,076	18.1	288	7,492	64.7	179	1,972	17.2	828	11,451
Totals	139	27,240	27.4	728	42,060	42.4	298	30,049	30.2	1,163	99,369
Area 1-b											
1st, 2nd, 3rd	14	4,473	22.7%	38	9,049	46.0%	20	6,148	31.3%	72	19,670
Rural	17	614	35.6	75	938	54.5	21	170	9.9	113	1,722
Totals	31	5,087	23.8	113	9,987	46.7	41	6,318	29.5	185	21,392
Beaverhead											
1st, 2nd, 3rd	1	244	60.0%	—	—	—	1	164	40.0%	2	408
Rural	3	53	24.0	16	151	70.0	2	12	6.0	21	214
Totals	4	297	47.5	16	151	24.0	3	176	26.5	23	622
Broadwater											
1st, 2nd, 3rd	1	286	57.9%	1	213	42.9%	—	—	—	2	499
Rural	1	24	30.0	5	37	70.0	—	—	—	6	81
Totals	2	310	53.5	6	270	46.5	—	—	—	8	580
Deer Lodge											
1st, 2nd, 3rd	3	1,113	64.9%	1	96	5.5%	2	525	30.0%	6	1,734
Rural	—	—	—	1	96	5.5	2	525	30.0	6	1,734
Totals	3	1,113	64.5	1	96	5.5	2	525	30.0	6	1,734
Gallatin											
1st, 2nd, 3rd	5	1,783	57.0%	6	1,340	43.0%	—	—	—	11	3,123
Rural	4	167	44.0	15	213	56.0	—	—	—	19	380
Totals	9	1,950	55.5	21	1,553	44.5	—	—	—	30	3,503
Granite											
1st, 2nd, 3rd	—	—	—	—	—	—	2	295	100.0%	2	295
Rural	—	—	—	2	51	96.0	1	2	4.0	3	53
Totals	—	—	—	2	51	14.5	3	297	85.5	5	348
Jefferson											
1st, 2nd, 3rd	1	110	19.5%	1	381	67.5%	1	72	13.0%	3	563
Rural	3	173	89.0	3	22	11.0	—	—	—	6	195
Totals	4	283	37.5	4	403	53.0	1	72	9.5	9	758
Lewis and Clark											
1st, 2nd, 3rd	1	210	6.0%	9	3,007	88.5%	1	180	5.5%	11	3,397
Rural	—	—	—	9	3,007	88.5	1	180	5.5	11	3,397
Totals	1	210	6.0	9	3,007	88.5	1	180	5.5	11	3,397
Madison											
1st, 2nd, 3rd	—	—	—	2	332	45.0%	2	430	55.0%	4	762
Rural	3	76	64.5	3	32	27.0	1	10	8.5	7	118
Totals	3	76	9.0	5	364	42.0	3	440	49.0	11	880
Meagher											
1st, 2nd, 3rd	—	—	—	—	—	—	1	306	100.0%	1	306
Rural	—	—	—	4	36	90.0	2	4	10.0	6	40
Totals	—	—	—	4	36	10.5	3	310	89.5	7	346
Park											
1st, 2nd, 3rd	1	222	11.0%	6	1,605	83.0%	1	113	6.0%	8	1,940
Rural	—	—	—	23	239	94.5	2	14	5.5	25	253
Totals	1	222	10.0	29	1,844	84.0	3	127	6.0	33	2,193
Powell											
1st, 2nd, 3rd	—	—	—	2	310	35.0%	1	586	65.0%	3	896
Rural	2	93	42.0	—	—	—	13	128	58.0	15	221
Totals	2	93	8.0	2	310	28.0	14	714	64.0	18	1,117
Silver Bow											
1st, 2nd, 3rd	1	505	9.0%	10	1,765	30.5%	8	3,497	60.5%	19	5,767
Rural	1	30	18.0	4	137	82.0	—	—	—	5	167
Totals	2	535	9.0	14	1,902	32.0	8	3,497	59.0	24	5,934

NOTE: 90 per cent of the schools in Montana reported in the survey.

SOURCE: Tables prepared from raw data from The First Phase of the School Facilities Survey, Fall 1951, as furnished by W. L. Emmert, State Director of The School Facilities Survey, State Department of Public Instruction, Helena, Montana.

plants house only 11.6 per cent of the pupils; in area 1-b the rural 61.0 per cent of the school plants house only 8.1 per cent of the pupils. In these areas approximately 40 per cent of the school plants house 90 per cent of the pupils. Low pupil-plant ratios mean high costs per pupil and for the public schools.

Area 1-a housed 34.8 per cent of the enrollment in school plants receiving "unsatisfactory" ratings while area 1-b housed 29.5 per cent in similar plants. Plants rated "satisfactory" housed 25.3 per cent of the enrollment in area 1-a in comparison to the 23.8 per cent in area 1-b. The state-wide averages were 27.4 per cent housed in plants rated "satisfactory" and 30.2 per cent housed in plants rated "unsatisfactory."

Characteristics of population and schools. Table XIII shows that, in four of the seven counties in area 1-a, the percentage of urban and rural nonfarm population is well above the state average of 77.0 per cent. Missoula County has the highest percentage in this area with 91.6 per cent of the inhabitants classified as urban and rural nonfarm population. In area 1-b, five of the twelve counties rank above the state average percentage of urban and rural nonfarm population. Silver Bow county is the highest in area 1 with 98.8 per cent of the population in this classification. Lake County with 55.7 per cent, Ravalli with 55.8 per cent,

TABLE XIII

CHARACTERISTICS OF POPULATION AND SCHOOLS
BY COUNTIES IN AREA I
1949-50

County	Population ¹		Number of school districts	Schools ²						
	% Urban and rural nonfarm	% Farm		Districts operating schools		Number of town schools		% Pupils in town schools	Number of rural schools	% Pupils in rural schools
				Elem.	H.S.	Elem.	H.S.			
Montana	77.0%	23.0%	1,321	1,050	133	227	179	88.6%	994	11.4%
Area 1-a										
Flathead	83.1	16.9	49	42	4	10	4	84.4	44	15.6
Lake	55.7	44.3	13	12	5	8	5	92.0	10	8.0
Lincoln	78.5	21.5	15	13	3	5	3	90.3	8	9.7
Mineral	81.4	18.6	8	8	—	3	3	87.2	6	12.8
Missoula	91.6	8.4	15	15	—	5	2	96.0	10	4.0
Ravalli	55.8	44.2	10	10	6	9	6	98.6	2	1.4
Sanders	62.7	37.3	13	11	5	7	5	85.7	9	14.3
Area 1-b										
Beaverhead	71.1	28.9	27	24	2	2	2	76.0	24	24.0
Broadwater	59.0	41.0	8	7	—	1	1	84.6	6	15.4
Deer Lodge	96.8	3.2	10	4	—	1	1	97.8	3	2.2
Gallatin	78.7	21.3	61	31	5	6	5	89.3	25	10.7
Granite	71.6	28.4	5	4	2	2	2	91.2	2	8.8
Jefferson	73.2	26.8	14	9	2	3	2	82.6	6	17.4
Lewis and Clark	92.5	7.5	28	20	—	6	2	93.5	14	6.5
Madison	55.5	44.5	14	12	5	6	5	90.9	6	9.1
Meagher	65.4	34.6	9	8	1	1	1	76.9	7	23.1
Park	80.5	19.5	39	30	3	4	3	88.5	26	11.5
Powell	79.4	20.6	21	16	1	3	1	78.1	15	21.9
Silver Bow	98.8	1.2	8	5	—	3	1	99.2	2	0.8

¹ U. S. Bureau of the Census, U. S. Census of Population: 1950. Vol. I, Number of Inhabitants. Chapter 26: Montana (Washington, D. C.: U. S. Government Printing Office, 1951), p. 20.

² State of Montana, 1948-1950 Biennial Report of the State Department of Public Instruction (Bozeman, Montana: Hoagie Printing Company, 1950), p. 106.

and Madison with 55.5 per cent urban and rural nonfarm population are the lowest in this classification in area 1. The majority of the pupils enrolled in the public schools in this area attend town schools with Beaverhead County, 76.0 per cent and Meagher, 76.9 per cent, having the lowest percentages of pupils attending town schools. The number of rural schools in each county varies widely from Flathead with forty-four to Granite, Ravalli, and Silver Bow each having two rural schools.

Population trends. Table XIV gives the total population of the area and the counties for 1940 and 1950 with the percentage increase or decrease during the same period. Area 1 gained 6.5 per cent in population from 1940 to 1950. Area 1-a gained 15.5 per cent while area 1-b gained only 0.8 per cent. Deer Lodge, Flathead, Gallatin, and Missoula Counties showed the largest gains with 21.5, 29.8, 19.9, and 22.2 per cent, respectively. In area 1-a only Mineral County showed a decrease, minus 2.5 per cent, while in area 1-b seven counties decreased in population from Beaverhead with minus 3.9 per cent to Granite County with minus 18.5 per cent.

Table XV presents the urban population trends in area 1. The state-wide urban population increased 19.6 per cent from 1940 to 1950. The increase for area 1 for the same period was 12.9 per cent. Within area 1, however, the urban

TABLE XIV
POPULATION TRENDS IN AREA 1
1940-50

Area County	Population		Per cent increase 1940-50
	1950	1940	
Montana	591,024	559,456	5.6%
Area 1	265,855	249,662	6.5
1-a	111,681	96,720	15.5
Flathead	31,495	24,271	29.8
Lake	13,835	13,490	2.6
Lincoln	8,693	7,882	10.3
Mineral	2,081	2,135	- 2.5
Missoula	35,493	29,038	22.2
Ravalli	13,101	12,978	0.9
Sanders	6,983	6,926	0.8
1-b	154,174	152,942	0.8
Beaverhead	6,671	6,943	- 3.9
Broadwater	2,922	3,451	-15.3
Deer Lodge	16,553	13,627	21.5
Gallatin	21,902	18,269	19.9
Granite	2,773	3,401	-18.5
Jefferson	4,014	4,664	-13.9
Lewis and Clark	24,540	22,131	10.9
Madison	5,998	7,294	-17.8
Meagher	2,079	2,237	- 7.1
Park	11,999	11,566	3.7
Powell	6,301	6,152	2.4
Silver Bow	48,422	53,207	- 9.0

SOURCE: U. S. Bureau of the Census, U. S. Census of Population: 1950. Vol. I, Number of Inhabitants, Chapter 26: Montana (Washington, D. C.: U. S. Government Printing Office, 1951), p. 8.

TABLE XV
 URBAN POPULATION TRENDS IN AREA 1
 1940-50

Area City	Urban population		Per cent increase 1940-50
	1950	1940	
Montana, total	(591,024)	(559,456)	5.6%
urban	258,034	215,827	19.6
Area 1	131,437	116,368	12.9
1-a	38,168	31,628	21.7
Hamilton	2,678	2,332	14.8
Kalispell	9,737	8,245	18.1
Missoula	22,485	18,449	21.9
Whitefish	3,268	2,602	25.6
1-b	93,269	84,740	10.1
Anaconda	11,254	11,004	2.3
Bozeman	11,325	8,665	30.7
Butte	33,251	37,081	-10.3
Deer Lodge	3,779	3,278	15.3
Dillon	3,268	3,014	8.4
Helena	17,581	15,056	16.8
Livingston	7,683	6,642	15.7
Silver Bow Park—Floral Park (uninc.)	5,128	—	—

NOTE: Urban classification includes all places of 2,500 or more inhabitants in 1950. Silver Bow Park—Floral Park was not tabulated in the 1940 census.

SOURCE: U. S. Bureau of the Census, U. S. Census of Population: 1950. Vol. I, Number of Inhabitants, Chapter 26: Montana (Washington, D. C.: U. S. Government Printing Office, 1951), p. 16.

population of area 1-a gained 21.7 per cent while that in area 1-b gained only 10.1 per cent. Missoula, the largest urban area in 1-a, gained 21.9 per cent in population while Butte, the largest in area 1-b, lost 10.3 per cent of its 1940 population. Aside from Butte, which showed a decrease, Anaconda, with a 2.3 per cent increase, and Dillon, with an 8.4 per cent increase, the urban centers in area 1 increased in population 15 per cent or more while the total population of the area increased only 6.5 per cent. The urbanization trend in area 1 is very evident.

Projected enrollments. Table XVI shows the projected increases and decreases in original enrollments for the years 1955 and 1960. Only Madison and Sanders of the nineteen counties in area 1 are expected to experience decreasing enrollments. The projection for Jefferson County shows a 5.7 per cent increase while the remainder of the counties may experience increases of 20 per cent or over by 1960 with Deer Lodge, Flathead, Gallatin, Missoula, and Powell Counties expected to show increases of over 50 per cent by that year. The projection shows that Flathead County may experience the largest increase, 74.4 per cent, by 1960.

Average number belonging. The ANB in area 1 has shown a steady increase during the years since 1924 as shown in Table XVII. During the war period the ANB dropped slightly but by 1950 had exceeded the previous high. Not all

TABLE XVI
PROJECTED ENROLLMENTS FOR AREA 1
1955 AND 1960

Area County	Original enrollments 1949-50	Projected original enrollments 1954-55	Per cent increase 1950-55	Projected original enrollments 1959-60	Per cent increase 1950-60
Montana	105,600	122,120	15.6%	143,899	36.3%
Area 1	45,540	52,724	15.8	62,684	37.6
1-a					
Flathead	6,299	8,287	31.6	10,986	74.4
Lake	3,187	3,286	3.1	3,819	19.8
Lincoln	1,970	2,312	17.4	2,477	25.7
Mineral	483	637	32.8	638	32.8
Missoula	5,218	6,932	32.8	8,399	61.0
Ravalli	2,977	3,317	11.4	3,595	20.8
Sanders	1,515	1,408	- 7.1	1,189	-21.5
1-b					
Beaverhead	1,099	1,268	15.4	1,472	33.9
Broadwater	562	562 ^a	0.0	562 ^a	0.0
Deer Lodge	1,687	2,185	29.5	2,539	50.5
Gallatin	3,346	4,144	23.8	5,244	56.7
Granite	537	578	7.6	743	38.4
Jefferson	739	819	10.8	781	5.7
Lewis and Clark	3,516	4,404	25.3	5,271	49.9
Madison	998	927	- 7.1	851	-14.7
Meagher	347	427	23.1	435	25.4
Park	2,155	2,489	15.5	3,002	39.3
Powell	1,101	1,340	21.7	1,696	54.0
Silver Bow	5,641	6,932	22.9	7,960	41.1

^a Birth data used in projection for Broadwater County is questionable; therefore, no projection is given.

SOURCE: Warren Duane Adams, "An Analysis of Montana's Public School Enrollments 1930-1950 and Projected Enrollments 1951-1960," (unpublished Master's thesis, Montana State University, Missoula, 1952), pp. 45-105.

TABLE XVII
 ANB FOR SELECTED YEARS IN AREA 1

County	Total ANB					
	1923-24	1929-30	1935-36	1939-40	1948-49	1949-50
Montana	101,371	115,203	107,012	100,192	94,578	97,974
Area 1-a						
Flathead	3,960	4,252	4,771	4,992	5,773	5,890
Lake	1,624	1,850	2,711	2,975	2,964	2,999
Lincoln	1,593	1,505	1,478	1,592	1,717	1,865
Mineral	450	359	491	372	435	454
Missoula	3,619	3,949	4,175	4,390	4,615	4,931
Ravalli	2,327	2,291	2,534	2,672	2,722	2,812
Sanders	1,140	1,101	1,400	1,527	1,441	1,439
Area 1-b						
Beaverhead	1,277	1,175	1,104	1,079	1,053	895
Broadwater	531	543	574	692	539	560
Deer Lodge	1,856	2,028	1,779	1,627	1,508	1,609
Gallatin	3,184	3,501	3,499	3,328	3,156	3,227
Granite	603	474	600	530	494	507
Jefferson	848	744	807	768	692	725
Lewis and Clark	2,670	2,831	2,807	3,103	3,095	3,335
Madison	1,279	1,160	1,133	1,158	989	951
Meagher	423	408	355	330	288	318
Park	2,090	2,180	2,206	2,125	1,950	2,056
Powell	953	995	1,026	938	1,037	1,066
Silver Bow	7,274	7,622	5,990	5,830	5,150	5,328

SOURCE: State of Montana, State Department of Public Instruction, Eighteenth, Twenty-first, and Twenty-sixth Biennial Reports, 1924, 1930, 1940, and the 1948-50 Biennial Report. Data for 1935-36 furnished by State Department of Public Instruction.

of the counties in this area have experienced increasing ANB's, however. Beaverhead, Deer Lodge, Granite, Jefferson, Madison, Meagher, and Silver Bow Counties, all in area 1-b, have experienced significant decreases in ANB. In many of these counties the ANB has decreased 25 per cent or more. Flathead County has experienced the largest increase, almost 50 per cent, in original enrollments.

Numerically small increases or decreases in ANB are not critical for most school systems but large changes mean the addition of new or the abandonment of old school plants, usually at a considerable expense to the community.

Total expenditures per pupil. Table XVIII illustrates the increase in educational costs from 1924 to 1950. In many instances this increase is over 200 per cent. Building programs, transportation, financial ability, and many other factors cause a great variance between counties in educational costs per pupil. No definite relationship between enrollment and educational costs can be established except that small enrollments mean higher instructional and maintenance costs per pupil.

In each of the selected years, except 1939-40, over one-half of the counties in area 1 exceeded the state average cost per pupil. Flathead County consistently has been among the counties with the lowest costs per pupil and in four of the years has had the lowest per-pupil cost in the area.

TABLE XVIII

TOTAL SCHOOL EXPENDITURES PER PUPIL FOR SELECTED YEARS IN AREA 1

County	1923-24	1929-30	1935-36	1939-40	1948-49	1949-50
Montana	\$113.09	\$129.94	\$120.88	\$150.53	\$287.61	\$342.21
Area 1-a						
Flathead	78.46	112.77	123.66	106.12	211.37	250.74
Lake	80.22	133.47	117.37	103.89	251.63	391.86
Lincoln	129.23	130.68	152.32	114.36	295.40	439.65
Mineral	249.10	282.14	148.40	200.71	374.97	464.23
Missoula	114.43	133.52	192.49	136.41	242.56	352.38
Ravalli	87.74	151.76	78.26	103.83	221.61	374.63
Sanders	171.37	185.24	130.09	194.60	341.78	366.35
Area 1-b						
Beaverhead	173.92	161.53	116.69	131.55	287.29	389.62
Broadwater	140.94	177.60	116.90	103.41	263.84	283.72
Deer Lodge	103.01	122.55	117.65	141.25	305.08	284.11
Gallatin	118.52	118.86	102.55	208.67	245.59	278.53
Granite	203.62	178.78	128.68	164.64	292.53	303.39
Jefferson	155.97	185.02	151.14	162.89	318.93	404.65
Lewis and Clark	140.26	165.62	162.61	241.58	384.08	367.28
Madison	128.41	143.61	126.30	188.66	306.91	374.12
Meagher	176.91	200.93	158.43	174.15	372.19	370.74
Park	104.43	114.77	91.02	116.83	357.30	290.40
Powell	145.01	148.08	138.69	153.29	273.48	333.16
Silver Bow	100.86	108.53	121.50	144.31	339.16	275.40

SOURCE: Computed from data given in: State of Montana, State Department of Public Instruction, Eighteenth, Twenty-first, and Twenty-sixth Biennial Reports, 1924, 1930, 1940, and the 1948-50 Biennial Report. Data for 1935-36 furnished by State Department of Public Instruction.

Capital outlay and debt liquidation expenditures.

Table XIX shows the amount of expenditures per pupil used for capital outlay and debt liquidation purposes for the selected years. A constant increase in the amount per pupil for this purpose is illustrated by the state averages. Counties having expenditures considerably above the state average for certain years usually had an extensive building program in progress at that time. The patterns of construction and nonconstruction periods can be ascertained by the comparison of these expenditures for each county throughout the period.

Table XX indicates the percentages of the total expenditures used for capital outlay and debt liquidation in these selected years in the various counties. Counties with decreasing enrollments generally had little need for extensive capital outlay and debt liquidation expenditures but those counties having increasing enrollments⁴ needed larger expenditures to provide adequate educational facilities. Figure 10⁵ shows the ranking of the various counties by average percentage of the total expenditures used for capital outlay and debt liquidation purposes during the six selected years. For Lake, Lincoln, Missoula, and Ravalli Counties this percentage was over 25 per cent.

⁴ SUPRA., p. 58.

⁵ SUPRA., p. 37.

TABLE XIX

CAPITAL OUTLAY AND DEBT LIQUIDATION EXPENDITURES PER PUPIL FOR SELECTED YEARS IN AREA 1

County	1923-24	1929-30	1935-36	1939-40	1948-49	1949-50
Montana	\$ 17.92	\$ 29.53	\$ 32.34	\$ 41.58	\$ 50.93	\$ 70.90
Area 1-a						
Flathead	9.10	29.82	61.93	25.40	34.24	32.99
Lake	9.71	39.20	60.08	25.79	31.81	123.73
Lincoln	19.64	23.85	63.20	13.74	76.64	202.58
Mineral	65.37	44.63	19.04	21.95	19.29	63.10
Missoula	22.11	34.63	63.76	42.52	39.17	99.27
Ravalli	14.58	67.37	17.03	33.05	17.38	143.37
Sanders	23.39	25.17	18.61	24.14	50.03	35.26
Area 1-b						
Beaverhead	50.96	27.16	18.34	17.96	47.87	62.17
Broadwater	10.64	43.52	16.86	4.19	11.76	13.00
Deer Lodge	3.19	8.65	8.79	15.48	36.76	37.75
Gallatin	16.85	15.41	15.50	104.84	14.83	16.60
Granite	92.81	14.45	23.68	21.36	24.42	21.89
Jefferson	22.02	30.30	29.06	21.73	16.87	25.64
Lewis and Clark	23.76	37.89	32.93	33.77	138.11	102.03
Madison	29.71	23.14	17.93	78.43	31.58	22.25
Meagher	46.49	42.65	25.72	30.87	80.07	25.71
Park	12.90	10.63	9.95	20.60	148.46	56.65
Powell	18.07	9.51	31.25	15.93	13.77	53.22
Silver Bow	8.69	15.26	17.41	15.08	112.20	12.81

SOURCE: Computed from data given in: State of Montana, State Department of Public Instruction, Eighteenth, Twenty-first, and Twenty-sixth Biennial Reports, 1924, 1930, 1940, and the 1948-50 Biennial Report. Data for 1935-36 furnished by State Department of Public Instruction.

TABLE XX

PER CENT OF TOTAL SCHOOL EXPENDITURES USED FOR CAPITAL OUTLAY AND DEBT LIQUIDATION PURPOSES
FOR SELECTED YEARS IN AREA 1

County	1923-24	1929-30	1935-36	1939-40	1948-49	1949-50
Montana	15.84%	22.73%	26.75%	27.62%	17.71%	20.72%
Area 1-a						
Flathead	10.96	26.45	49.29	23.94	16.20	13.16
Lake	11.83	29.38	51.19	24.83	12.64	31.58
Lincoln	15.20	18.25	41.49	12.02	25.94	46.08
Mineral	26.24	15.82	12.83	10.94	5.14	13.59
Missoula	19.32	25.94	43.56	31.17	16.15	33.85
Ravalli	16.62	44.39	21.77	31.83	7.84	35.60
Sanders	13.65	13.59	14.31	12.41	14.64	9.62
Area 1-b						
Beaverhead	29.30	16.82	15.72	13.65	16.66	15.96
Broadwater	7.55	24.50	14.42	4.05	4.46	4.58
Deer Lodge	3.09	7.06	7.48	10.96	9.88	13.29
Gallatin	14.22	12.97	15.12	49.76	6.04	5.96
Granite	45.58	8.09	18.41	12.97	8.35	7.22
Jefferson	14.12	16.37	19.23	13.34	5.29	6.34
Lewis and Clark	16.94	22.88	20.26	13.98	33.36	27.78
Madison	23.13	16.11	14.20	41.55	10.29	5.95
Meagher	26.28	21.23	16.24	17.73	21.51	6.93
Park	12.35	9.26	10.93	17.63	41.55	19.51
Powell	12.46	6.42	22.53	10.39	5.04	15.97
Silver Bow	8.62	14.06	14.33	10.45	33.08	4.65

SOURCE: Computed from data given in: State of Montana, State Department of Public Instruction, Eighteenth, Twenty-first, and Twenty-sixth Biennial Reports, 1924, 1930, 1940, and the 1948-50 Biennial Report. Data for 1935-36 furnished by State Department of Public Instruction.

Assessed and taxable valuations. The assessed and taxable valuations for each county for selected years are shown in Tables XXI and XXII. The taxable valuations are more directly concerned with school finance than are the assessed valuations since the annual mill levies are against the taxable valuations. The assessed valuations are used in the determining of the limit of bonded indebtedness for each school district.

Low assessed and taxable valuations per pupil result in high millage levies for school purposes. Conversely, high valuations per pupil result in low millage levies. A levy of 50 mills against a taxable valuation of \$10,000,000 will raise a total of \$500,000. Flathead County, receiving nearly maximum state aid in 1949-50, found it necessary to levy 64.17 mills⁶ against a \$14,412,071 taxable valuation to provide the local share of the cost of the public schools in the county. Meagher County, for the same period, required a 27.61 mill levy⁷ on a \$3,444,080 taxable valuation to support the public schools of the county and because of the low levy was not eligible for state aid. For bonding purposes the 5 per cent limit of bonded indebtedness will allow up to \$500,000 indebtedness for each \$10,000,000 assessed valuation.

⁶ Infra., p. 68.

⁷ Infra., p. 68.

TABLE XXI

ASSESSED VALUATIONS FOR SELECTED YEARS IN AREA 1

County	Total assessed valuations					
	1923-24	1929-30	1935-36	1939-40	1948-49	1949-50
Montana	\$1,397,053,096	\$1,416,302,310	\$1,051,668,977	\$1,026,330,194	\$1,522,121,402	\$1,541,850,759
Area 1-a						
Flathead	39,252,087	41,752,478	30,847,066	32,481,156	47,934,866	49,578,744
Lake	12,443,522	12,172,289	12,259,165	17,748,531	26,176,353	26,647,621
Lincoln	20,035,872	17,974,684	13,335,559	13,271,504	17,698,919	18,229,344
Mineral	10,791,812	9,703,474	6,671,183	5,982,368	7,624,189	7,573,966
Missoula	49,509,450	51,165,374	40,490,467	42,922,380	58,536,727	61,275,252
Ravalli	19,341,975	18,823,580	12,959,332	13,546,350	19,643,698	20,232,582
Sanders	22,399,958	21,958,456	17,607,525	17,028,785	23,725,911	19,849,023
Area 1-b						
Beaverhead	22,033,498	21,493,488	15,382,758	15,231,871	20,817,145	21,345,962
Broadwater	11,801,767	11,607,168	8,239,123	8,156,857	11,883,468	12,397,966
Deer Lodge	32,198,339	34,155,678	29,106,962	29,237,775	33,865,014	34,708,385
Gallatin	43,526,275	45,252,290	35,797,736	36,143,572	50,758,565	52,759,188
Granite	10,391,753	10,286,835	7,958,011	8,152,410	12,178,509	11,415,813
Jefferson	15,427,871	13,988,048	9,843,551	9,936,751	11,538,645	11,537,275
Lewis and Clark	61,974,043	56,241,931	49,796,182	52,964,047	66,693,477	67,859,960
Madison	18,044,486	18,112,219	12,663,277	13,570,302	16,109,509	16,365,928
Meagher	13,936,698	13,955,361	8,818,943	8,116,277	10,685,188	10,959,805
Park	30,115,015	30,490,970	21,303,710	21,605,523	28,953,924	29,921,447
Powell	21,741,559	19,744,913	15,836,360	15,465,697	19,068,673	19,645,058
Silver Bow	116,897,057	107,322,894	72,852,990	67,962,874	82,884,346	80,900,301

SOURCE: State of Montana, Montana State Board of Equalization, First, Fourth, Seventh, Ninth, and Fourteenth Biennial Reports, 1924, 1930, 1936, 1940, and 1950.

TABLE XXII

TAXABLE VALUATIONS FOR SELECTED YEARS IN AREA 1

County	Total taxable valuations					
	1923-24	1929-30	1935-36	1939-40	1948-49	1949-50
Montana	\$441,274,763	\$453,080,548	\$334,014,887	\$320,055,013	\$455,322,253	\$459,303,967
Area 1-a						
Flathead	12,408,720	13,310,382	9,727,451	10,060,386	14,026,477	14,412,071
Lake	3,698,260	3,787,160	3,782,995	5,336,560	7,617,969	7,753,873
Lincoln	6,679,951	6,099,635	4,534,530	4,446,893	5,690,632	5,935,371
Mineral	4,046,799	3,648,572	2,484,924	2,188,989	2,711,093	2,702,857
Missoula	15,544,535	15,650,161	12,192,344	12,809,021	16,894,754	17,503,908
Ravalli	5,956,432	5,765,755	3,923,728	4,053,608	5,666,992	5,812,798
Sanders	7,523,225	7,116,751	5,773,279	5,513,656	6,459,649	6,326,946
Area 1-b						
Beaverhead	7,036,339	6,808,736	4,881,445	4,834,367	6,347,143	6,471,883
Broadwater	3,920,690	3,839,039	2,773,252	2,706,094	3,631,255	3,723,813
Deer Lodge	9,947,385	10,347,362	8,873,340	8,907,171	9,875,267	10,055,648
Gallatin	14,282,446	14,422,537	11,530,497	11,498,598	15,357,820	16,026,168
Granite	3,703,142	3,642,159	2,932,959	2,852,717	3,967,709	3,748,996
Jefferson	5,532,682	5,056,952	3,644,595	3,845,418	4,105,541	4,073,120
Lewis and Clark	17,636,270	16,135,656	14,393,867	15,557,185	18,907,689	19,040,836
Madison	5,783,846	5,773,913	4,210,909	4,624,578	4,925,811	5,004,163
Meagher	4,500,427	4,474,286	2,831,007	2,591,524	3,376,146	3,444,080
Park	9,454,126	9,543,717	6,687,688	6,680,322	8,610,014	8,815,545
Powell	6,971,792	6,454,426	5,429,209	5,077,508	6,189,573	6,633,425
Silver Bow	34,167,245	39,041,770	23,181,992	20,604,733	26,845,521	23,152,075

SOURCE: State of Montana, Montana State Board of Equalization, First, Fourth, Seventh, Ninth, and Fourteenth Biennial Reports, 1924, 1930, 1936, 1940, and 1950.

Millage levies. The 1949-50 average tax levies for public school purposes in each of the counties in the area are compared with the state average in Table XXIII. This area has some of the highest millage levies in the State,⁸ Ravalli County with a 71.59 mill levy and Flathead with a 64.17 mill levy were the highest in the area; Meagher County, which levied 27.61 mills, had the lowest average levy for school purposes in the State.

Portion of the property tax used for public school purposes. Table XXIV shows that the counties in area 1, with the exception of Meagher, Park, and Silver Bow, allotted a larger percentage of the property tax dollar for public school purposes than the state average of 43.33 per cent. Flathead and Ravalli Counties allotted over 49 per cent of the property tax dollar for the support of their public schools.

Federal real estate. Table XXV illustrates the relative importance of federal real estate in the various counties in area 1. Area 1, with 55.18 per cent of the land under federal ownership, is able to levy taxes on only 44.82 per cent of the land in this area. On a state-wide basis the federal lands are worth only about one-third as much per acre as privately owned lands.

⁸ Supra., p. 31.

TABLE XXIII
 AVERAGE MILL LEVIES FOR SCHOOL PURPOSES
 IN AREA 1
 1949-50

Area County	Average mill levy
Montana	43.84 mills
Area 1-a	
Flathead	64.17
Lake	56.87
Lincoln	44.57
Mineral	46.93
Missoula	51.95
Ravalli	71.59
Sanders	52.74
Area 1-b	
Beaverhead	41.47
Broadwater	40.79
Deer Lodge	42.45
Gallatin	39.71
Granite	35.64
Jefferson	41.79
Lewis and Clark	46.10
Madison	43.20
Meagher	27.61
Park	43.79
Powell	35.25
Silver Bow	40.77

NOTE: The mill levies given do not include those for support of the university units.

SOURCE: Computed from data given in: State of Montana, Montana State Board of Equalization, Fourteenth Biennial Report, 1950, pp. 129, 131.

TABLE XXIV
 PORTION OF THE PROPERTY TAX USED FOR
 PUBLIC SCHOOL PURPOSES IN AREA 1
 1949-50

Area County	Per cent of the property tax used for public school purposes
Montana	42.33%
Area 1-a	
Flathead	49.25
Lake	45.18
Lincoln	45.66
Mineral	48.51
Missoula	43.98
Ravalli	49.38
Sanders	46.09
Area 1-b	
Beaverhead	45.31
Broadwater	48.23
Deer Lodge	45.91
Gallatin	45.63
Granite	47.24
Jefferson	46.93
Lewis and Clark	46.95
Madison	47.29
Meagher	38.41
Park	43.02
Powell	46.71
Silver Bow	37.59

NOTE: The percentages given do not include the taxes for the support of the university units.

SOURCE: Computed from data given in: State of Montana, Montana State Board of Equalisation, Fourteenth Biennial Report, 1950, pp. 129, 131, 133.

TABLE IXV
RELATIVE IMPORTANCE OF FEDERAL REAL ESTATE
HOLDINGS IN AREA 1
1948

Area County	Per cent of land federally owned	Ratio of federal valuation to total taxable valuation
Montana	36.58%	11.57%
Area 1	55.18	17.53
1-a	66.41	27.34
Flathead	73.18	47.95
Lake	52.06	6.91
Lincoln	73.59	55.50
Mineral	82.21	46.29
Missoula	44.38	7.24
Ravalli	71.78	33.60
Sanders	61.27	20.34
1-b	47.58	12.40
Beaverhead	58.90	44.84
Broadwater	30.55	10.90
Deer Lodge	32.55	3.18
Gallatin	39.95	2.78
Granite	63.96	28.47
Jefferson	51.54	18.05
Lewis and Clark	48.28	19.31
Madison	46.78	28.45
Meagher	30.51	25.50
Park	49.50	5.88
Powell	41.71	17.65
Silver Bow	53.66	1.73

SOURCE: Committee on Tax Education and School Finance, Status and Fiscal Significance of Federal Lands in the Eleven Western States (Washington, D. C.: National Education Association of the United States, 1950), p. 66.

In many counties the federal ownership of large portions of the real estate within the county places severe limits on the taxing ability of the county. Were Flathead County able to receive a proportionate amount of income from lands under federal ownership in relation to that received from private lands, the amount of tax revenues would be increased approximately 47.95 per cent. This would mean a proportionate increase in funds available for school purposes, thus easing some of the problems of school finance in that area. Lincoln County revenues would be increased 55.50 per cent under the same conditions.

Area 1, with nearly one-half of the total population of the State, has the largest percentage of federal ownership of real estate of any of the areas in the State. This condition means that in this area private lands tend to have proportionately higher tax rates than the private lands in areas with low percentages of federal real estate.

Summary. Area 1, with approximately 45 per cent of the total population of the State, and approximately 43 per cent of the total public school enrollments in Montana, may expect substantial growth in population and school enrollments unless a marked change in present trends occurs.

This area, with increasing school enrollments, 55.18 per cent of the land under federal ownership, relatively low assessed and taxable valuations per pupil in many counties,

and generally high rates of taxation for school purposes will find it increasingly difficult to provide adequate school facilities. For example, Flathead County with a projected increase in enrollments of 74.4 per cent by 1960, 52 per cent of the pupils housed in school plants rated "unsatisfactory," a taxable valuation of \$2,447 per pupil in 1950, an average levy of 64.17 mills for school purposes, using 49.25 per cent of the property tax dollar for support of the public schools, and 73.18 per cent of the land area of the county under federal ownership is already experiencing difficulty in providing more than minimum school facilities for the education of the children of the county. With 52 per cent of the enrollment in unsatisfactory housing and an expected increase of 74.4 per cent in original enrollments by 1960, Flathead County must somehow finance an extensive school plant building program within the next few years.

Not all of the counties in area 1 will experience as great a difficulty in providing suitable school facilities as will Flathead County. Meagher County, with a taxable valuation of \$10,830 per pupil in 1950, needed to levy only 27.61 mills to meet all the school financial needs. While Flathead County has been receiving maximum state aid under the Equalization Program, Meagher County has received no aid.

Only one of the seven counties in area 1-a exceeds the state average taxable valuation per pupil of \$4,688 while

in area 1-b ten of the twelve counties have higher valuations. Area 1-b, except for some problems at the district level, should not find the provision of adequate school facilities very difficult as compared to the counties in area 1-a.

The concentration of school finance problems in certain counties in area 1 indicates the need for a more inclusive program of state aid, especially the inclusion of state aid for capital outlay programs.

CHAPTER IV

NEEDS AND ABILITIES IN ECONOMIC AREA 2

The needs and financing abilities of the twenty-two counties in economic area 2¹ were analyzed by the use of figures and tables presenting the present condition of the school plants, trends and predictions for population and enrollments, and data presenting the past record of school finance in each of the counties in area 2.

School plant ratings. Tables XXVI and XXVII present the ratings given school plants in each county by the school facilities survey. A study of these tables and Tables I² and II³ reveals that 24.9 per cent of the school plants in area 2 were classified as "unsatisfactory" and that 30.2 per cent of the enrollment in the public schools was housed in these unsatisfactory plants as compared to 41.2 per cent housed in the 66.7 per cent of the plants receiving a "fair" rating and 28.6 per cent housed in the 8.4 per cent of the plants rated "satisfactory." Rural schools comprise 77.6 per cent of the school plants in this area but house only 14.7 per cent of the pupils. In area 2-a, the rural 71.0

¹ SUPRA., p. 11.

² SUPRA., p. 16.

³ SUPRA., p. 17.

TABLE XXVI

SCHOOL PLANT RATINGS AND ENROLLMENTS FOR AREA 2-a
1951

County Class of school	Satisfactory			Fair			Unsatisfactory			Totals	
	No. schools	Enroll- ment	% Total enroll- ment	No. schools	Enroll- ment	% Total enroll- ment	No. schools	Enroll- ment	% Total enroll- ment	No. schools	Enroll- ment
Montana											
1st, 2nd, 3rd	76	25,164	28.6%	140	34,677	39.5%	119	28,077	31.9%	335	87,918
Rural	61	2,076	18.1	588	7,403	64.7	179	1,972	17.2	828	11,451
Totals	137	27,240	27.4	728	42,080	42.4	298	30,049	30.2	1,163	99,369
Area 2-a											
1st, 2nd, 3rd	17	5,706	37.9%	17	4,358	26.9%	19	4,992	33.2%	53	15,056
Rural	7	236	12.7	97	1,399	75.5	25	219	11.8	129	1,854
Totals	24	5,942	35.1	114	5,757	34.1	44	5,211	30.8	182	16,910
Cascade											
1st, 2nd, 3rd	7	3,474	44.5%	4	1,554	20.0%	7	2,756	35.5%	18	7,784
Rural	2	116	26.0	18	220	49.5	10	109	24.5	30	445
Totals	9	3,590	43.5	22	1,774	21.5	17	2,865	35.0	48	8,229
Choteau											
1st, 2nd, 3rd	2	530	60.0%	1	247	28.0%	1	109	12.0%	4	886
Rural	—	—	—	1	7	100.0	—	—	—	1	7
Totals	2	530	59.5	2	254	28.5	1	109	12.0	5	893
Fergus											
1st, 2nd, 3rd	3	677	36.0%	3	626	33.0%	5	586	31.0%	11	1,889
Rural	2	44	12.5	32	276	77.5	7	36	10.0	41	356
Totals	5	721	32.0	35	902	40.0	12	622	28.0	52	2,245
Glacier											
1st, 2nd, 3rd	2	692	42.0%	2	966	58.0%	—	—	—	4	1,658
Rural	1	40	12.5	13	276	87.5	—	—	—	14	316
Totals	3	732	37.0	15	1,242	63.0	—	—	—	18	1,974
Judith Basin											
1st, 2nd, 3rd	1	62	22.0%	1	48	17.0%	2	175	61.0%	4	285
Rural	—	—	—	6	80	91.0	2	8	9.0	8	88
Totals	1	62	16.5	7	128	34.5	4	183	49.0	12	373
Pondera											
1st, 2nd, 3rd	2	271	20.0%	1	235	17.5%	2	845	62.5%	5	1,351
Rural	2	36	13.5	14	166	62.0	6	66	24.5	22	268
Totals	4	307	19.0	15	401	25.0	8	911	56.0	27	1,619
Teton											
1st, 2nd, 3rd	—	—	—	5	682	56.5%	2	521	43.5%	7	1,203
Rural	—	—	—	13	374	100.0	—	—	—	13	374
Totals	—	—	—	18	1,056	67.0	2	521	33.0	20	1,577

NOTE: 90 per cent of the schools in Montana reported in the survey.

SOURCE: Table prepared from raw data from The First Phase of the School Facilities Survey, Fall 1951, as furnished by W. L. Emert, State Director of The School Facilities Survey, State Department of Public Instruction, Helena, Montana.

TABLE XXVII

SCHOOL PLANT RATINGS AND ENROLLMENTS FOR AREA 2-b
1951

County	Class of school	Satisfactory			Fair			Unsatisfactory			Totals	
		No. schools	Enroll-ment	% Total enrollment	No. schools	Enroll-ment	% Total enrollment	No. schools	Enroll-ment	% Total enrollment	No. schools	Enroll-ment
Montana	1st, 2nd, 3rd	76	25,164	26.6%	140	34,677	39.9%	119	28,077	31.9%	335	87,918
	Rural	61	2,076	18.1	58	7,408	64.7	178	1,972	17.2	826	11,451
	Totals	137	27,240	27.4	198	42,085	42.4	298	30,049	30.2	1,163	99,369
Area 2-b	1st, 2nd, 3rd	13	4,074	26.3%	27	6,267	41.3%	32	5,013	32.4%	72	15,474
	Rural	10	230	6.8	22	2,411	77.0	23	348	16.2	302	3,302
	Totals	23	4,304	22.8	49	8,678	47.7	55	5,361	29.5	124	18,676
Albany	1st, 2nd, 3rd	1	393	35.0%	3	656	58.9%	1	73	6.9%	5	1,122
	Rural	1	13	3.0	2	381	87.0	1	44	10.0	4	440
	Totals	2	406	28.0	5	1,037	66.5	2	117	7.5	9	1,562
Beaumont	1st, 2nd, 3rd	—	—	—	—	—	—	3	699	100.0%	3	699
	Rural	—	47	33.0	—	24	67.0	—	—	—	10	141
	Totals	—	47	5.5	—	24	11.0	—	699	83.5	13	840
Bonanza	1st, 2nd, 3rd	—	—	—	3	1,024	100.0%	—	—	—	3	1,024
	Rural	—	20	5.0	—	253	66.0	—	110	29.0	40	383
	Totals	—	20	1.5	3	1,277	90.5	—	110	8.0	43	1,407
Fallon	1st, 2nd, 3rd	—	—	—	—	—	—	1	103	100.0%	1	103
	Rural	—	—	—	—	—	—	—	50	23.5	—	—
	Totals	—	—	—	—	—	—	—	153	48.5	—	—
Hill	1st, 2nd, 3rd	3	235	12.0%	5	1,000	50.9%	5	736	37.9%	13	1,971
	Rural	—	2	1.0	—	182	76.3	—	54	22.5	—	—
	Totals	3	237	10.5	5	1,182	53.5	5	790	36.0	13	1,971
Liberty	1st, 2nd, 3rd	—	—	—	2	287	67.9%	1	110	32.9%	3	397
	Rural	—	—	—	—	82	79.0	—	24	21.0	—	—
	Totals	—	—	—	2	316	70.0	1	134	30.0	3	450
McCone	1st, 2nd, 3rd	1	49	14.3%	—	—	—	1	286	85.7%	2	335
	Rural	—	—	—	—	180	84.5	—	33	15.5	—	—
	Totals	1	49	9.0	—	180	93.0	—	319	58.0	2	318
Phillips	1st, 2nd, 3rd	2	318	32.0%	1	306	30.6%	4	397	39.0%	7	1,021
	Rural	—	32	12.5	—	183	73.5	—	35	14.0	—	—
	Totals	2	350	27.5	1	489	38.5	4	432	34.0	7	1,273
Pringle	1st, 2nd, 3rd	—	—	—	—	—	—	—	—	—	—	—
	Rural	—	—	—	—	18	14.5	—	60	83.5	—	—
	Totals	—	—	—	—	18	14.5	—	60	83.5	—	—
Richland	1st, 2nd, 3rd	2	651	90.0%	1	547	42.0%	1	100	8.0%	4	1,298
	Rural	—	102	18.0	—	371	65.5	—	95	16.5	—	—
	Totals	2	753	40.5	1	918	49.0	1	195	10.5	4	1,846
Roosevelt	1st, 2nd, 3rd	3	1,279	47.5%	2	272	10.0%	4	1,134	42.5%	9	2,685
	Rural	—	—	—	—	106	91.5	—	10	8.5	—	—
	Totals	3	1,279	45.5	2	378	13.5	4	1,144	41.0	9	2,801
Sheridan	1st, 2nd, 3rd	—	—	—	4	987	88.0%	2	132	12.0%	6	1,119
	Rural	—	—	—	—	256	94.0	—	16	6.0	—	—
	Totals	—	—	—	4	1,243	89.5	2	148	10.5	6	1,391
Toole	1st, 2nd, 3rd	—	—	—	4	918	72.0%	4	360	28.0%	8	1,278
	Rural	—	—	—	—	—	—	—	—	—	—	—
	Totals	—	—	—	4	918	72.0	4	360	28.0	8	1,278
Valley	1st, 2nd, 3rd	2	1,149	52.5%	1	148	7.0%	5	883	40.5%	8	2,180
	Rural	—	14	5.5	—	234	91.5	—	5	3.0	—	—
	Totals	2	1,163	48.0	1	382	16.0	5	888	36.0	8	2,437
Wibaux	1st, 2nd, 3rd	—	—	—	1	300	100.0%	—	—	—	1	300
	Rural	—	—	—	—	106	92.0	—	9	8.0	—	—
	Totals	—	—	—	1	406	98.0	—	9	2.0	—	—

NOTE: 90 per cent of the schools in Montana reported in the survey.

SOURCE: Table prepared from raw data from The First Phase of the School Facilities Survey, Fall 1951, as furnished by W. L. Emmert, State Director of The School Facilities Survey, State Department of Public Instruction, Helena, Montana.

per cent of the school plants house only 10.9 per cent of the pupils; in area 2-b, the rural 81.0 per cent of the school plants house only 16.9 per cent of the pupils. In these areas, approximately 22.4 per cent of the school plants house 85.3 per cent of the pupils. Low pupil-plant ratios mean high costs per pupil for the public schools.

Area 2-a housed 30.8 per cent of the enrollment in school plants receiving "unsatisfactory" ratings while area 2-b housed 29.5 per cent in similar plants. Plants rated "satisfactory" housed 35.1 per cent of the enrollment in area 2-a in comparison to the 22.8 per cent in area 2-b. The state-wide averages were 27.4 per cent housed in plants rated "satisfactory" and 30.2 per cent housed in plants rated "unsatisfactory."

Characteristics of population and schools. Table XXVIII shows that in only one of the seven counties in area 2-a, the percentage of urban and rural nonfarm population is above the state average of 77.0 per cent. Cascade County has the highest percentage in this area with 91.7 per cent of the inhabitants classified as urban and rural nonfarm population. Judith Basin County, with only 41.0 per cent of the population in this classification, has the lowest percentage in area 2-a.

In area 2-b, only two of the fifteen counties rank above the state average in percentage of urban and rural

TABLE XXVIII

 CHARACTERISTICS OF POPULATION AND SCHOOLS
 BY COUNTIES IN AREA 2
 1949-50

County	Population ¹		Number of school districts	Schools ²						
	% Urban and rural nonfarm	% Farm		Districts operating schools		Number of town schools		% Pupils in town schools	Number of rural schools	% Pupils in rural schools
				Elem.	H.S.	Elem.	H.S.			
Montana	77.0%	23.0%	1,321	1,050	133	227	179	88.6%	994	11.4%
Area 2-a										
Cascade	91.7	8.3	56	37	6	8	6	96.0	30	4.0
Chouteau	48.2	51.8	61	43	4	4	4	68.5	38	31.5
Fergus	66.4	33.6	73	58	7	7	7	80.4	53	19.6
Glacier	79.4	20.6	10	10	2	3	2	88.5	16	11.5
Judith Basin	41.0	59.0	21	14	—	5	4	80.3	9	19.3
Pondera	55.2	44.8	22	30	3	3	3	78.7	23	21.3
Teton	46.2	53.8	20	18	4	6	4	90.2	12	9.8
Area 2-b										
Blaine	59.5	40.5	20	19	4	6	4	83.8	27	16.2
Daniels	59.2	40.8	17	14	3	3	3	80.1	13	19.9
Dawson	72.6	27.4	43	38	2	2	2	81.0	42	19.0
Fallon	59.4	40.6	24	21	3	2	2	74.8	27	25.2
Hill	79.2	20.8	36	28	—	7	7	93.2	23	6.8
Liberty	47.6	52.4	15	15	2	2	2	79.6	14	20.4
McCone	36.3	63.7	31	27	1	2	1	76.2	25	23.8
Phillips	59.0	41.0	30	27	4	4	4	77.1	27	22.9
Prairie	66.1	33.9	5	5	1	2	2	92.7	4	8.3
Richland	58.3	41.7	48	41	5	4	4	75.0	40	25.0
Roosevelt	71.9	28.1	19	16	6	6	6	92.5	13	7.5
Sheridan	56.0	44.0	36	29	—	6	6	76.7	26	23.3
Toole	78.9	21.1	21	20	2	5	3	88.7	20	11.3
Valley	68.4	31.6	16	13	5	6	5	87.9	22	12.1
Wibaux	40.3	59.7	21	15	—	1	1	67.5	14	32.5

¹ U. S. Bureau of the Census, U. S. Census of Population, 1950. Vol. 1, Number of Inhabitants, Chapter 25: Montana (Washington, D. C.: U. S. Government Printing Office, 1951), p. 20.

² State of Montana, 1949-1950 Biennial Report of the State Department of Public Instruction (Helena, Montana: Naegle Printing Company, 1950), p. 106.

nonfarm population. Hill County, with 79.2 per cent, and Toole County, with 78.9 per cent, have the highest percentages in this area. McCone County, with only 36.3 per cent urban and rural nonfarm population, has the lowest percentage in area 2-b.

In only Cascade and Teton Counties in area 2-a and Hill, Prairie, Roosevelt, and Toole Counties in area 2-b is the percentage of pupils attending town schools larger than the state-wide average of 88.6 per cent. The number of rural schools in each county varies widely from Fergus with fifty-three to Judith Basin with nine and Prairie with four such schools.

Population trends. According to Table XXIX, which shows the total population of the area and the counties for 1940 and 1950 with the percentage increase or decrease during the same period, area 2 gained 1.6 per cent in population from 1940 to 1950. Area 2-a gained 12.0 per cent while area 2-b decreased 7.1 per cent. In area 2-a Cascade County showed the largest gain with a 26.3 per cent increase in population. Four of the seven counties showed decreases with Judith Basin County having the largest decrease of 12.4 per cent. In area 2-b, eleven of the fifteen counties decreased in population with Valley County showing the largest decrease of 25.2 per cent. Hill County had the largest gain in population with an increase of 7.4 per cent.

TABLE XXIX
POPULATION TRENDS IN AREA 2
1940-50

Area County	Population		Per cent increase 1940-50
	1950	1940	
Montana	591,024	559,456	5.6%
Area 2	200,880	197,701	1.6
2-a	100,485	89,682	12.0
Cascade	53,027	41,999	26.3
Chouteau	6,974	7,316	- 4.7
Fergus	14,015	14,040	- 0.2
Glacier	9,645	9,034	6.8
Judith Basin	3,200	3,655	-12.4
Pondera	6,392	6,716	- 4.8
Teton	7,232	6,922	4.5
2-b	100,395	108,019	- 7.1
Blaine	8,516	9,566	-11.0
Daniels	3,946	4,563	-13.5
Dawson	9,092	8,618	5.5
Fallon	3,660	3,719	- 1.6
Hill	14,285	13,304	7.4
Liberty	2,180	2,209	- 1.3
McCone	3,258	3,798	-14.2
Phillips	6,334	7,892	-19.7
Prairie	2,377	2,410	- 1.4
Richland	10,366	10,209	1.5
Roosevelt	9,580	9,806	- 2.3
Sheridan	6,674	7,814	-20.8
Toole	6,867	6,769	1.4
Valley	11,353	15,181	-25.2
Wibaux	1,907	2,161	-11.8

SOURCE: U. S. Bureau of the Census, U. S. Census of Population: 1950. Vol. I, Number of Inhabitants, Chapter 26: Montana (Washington, D. C.: U. S. Government Printing Office, 1951), p. 8.

Table XXX presents the urban population trends in area 2. The state-wide urban population increased 19.6 per cent from 1940 to 1950. The increase for area 2 for the same period was 26.0 per cent. Within area 2, however, the urban population of area 2-a gained 29.2 per cent while that in area 2-b gained only 20.4 per cent. Great Falls, the largest urban center in area 2, gained 31.0 per cent. All urban centers in this area increased in population from Glasgow with 0.6 per cent to Cut Bank with 48.3 per cent.

While the total number of inhabitants in area 2 increased by 3,179 persons from 1940 to 1950, the urban population was increased 15,734 inhabitants. This gives excellent evidence of the strong urbanization trend in this area.

Projected enrollments. Table XXXI shows the projected increases and decreases in original enrollments for the years 1955 and 1960. All of the counties in area 2-a are expected to show increases while six of the fifteen counties in area 2-b are expected to show decreases. Phillips County is expected to show the largest decrease of 17.7 per cent. In area 2-a, Cascade County is expected to show the largest increase, 83.7 per cent, in original enrollments while in area 2-b, Hill County is expected to show a gain of 63.6 per cent in original enrollments.

Average number belonging. The ANB in area 2 has fluctuated widely during the years since 1924, as shown in

TABLE XXX
URBAN POPULATION TRENDS IN AREA 2
1940-50

Area City	Urban population		Per cent increase 1940-50
	1950	1940	
Montana, total	(591,024)	(559,456)	5.6%
urban	258,034	215,827	19.6
Area 2	76,271	60,537	26.0
2-a	49,508	38,311	29.2
Cut Bank	3,721	2,509	48.3
Great Falls	39,214	29,928	31.0
Lewistown	6,573	5,874	11.9
2-b	26,763	22,226	20.4
Glasgow	3,821	3,799	0.6
Glendive	5,254	4,524	16.1
Havre	8,086	6,427	25.8
Shelby	3,058	2,538	20.5
Sidney	3,987	2,978	33.9
Wolf Point	2,557	1,960	30.5

NOTE: Urban classification includes all places of 2,500 or more inhabitants in 1950.

SOURCE: U. S. Bureau of the Census, U. S. Census of Population: 1950. Vol. I, Number of Inhabitants, Chapter 26: Montana (Washington, D. C.: U. S. Government Printing Office, 1951), p. 16.

TABLE XXXI
PROJECTED ENROLLMENTS FOR AREA 2
1955 AND 1960

Area County	Original enrollments 1949-50	Projected original enrollments 1954-55	Per cent increase 1950-55	Projected original enrollments 1959-60	Per cent increase 1950-60
Montana	105,600	122,120	15.6%	143,899	36.3%
Area 2	38,670	42,685	10.4	49,079	26.9
2-a					
Cascade	7,775	10,694	37.5	14,281	83.7
Chouteau	1,201	1,382	15.1	1,476	22.9
Fergus	2,372	2,909	22.7	3,685	55.4
Glacier	2,084	2,376	14.0	2,616	25.5
Judith Basin	566	644	13.8	669	18.2
Pondera	1,343	1,591	18.5	1,888	40.6
Teton	1,512	1,577	4.3	1,596	5.6
2-b					
Blaine	1,917	1,584	-17.4	1,369	-28.6
Daniels	898	874	- 2.7	841	- 6.3
Dawson	1,725	2,193	27.1	2,629	52.4
Fallon	759	992	30.7	1,136	49.7
Hill	2,138	2,768	29.5	3,497	63.6
Liberty	427	519	21.5	542	26.9
McCone	599	633	5.7	659	10.0
Phillips	1,392	1,279	- 8.1	1,007	-17.7
Prairie	444	431	- 2.9	429	- 3.4
Richland	2,248	2,444	8.7	2,837	26.2
Roosevelt	2,140	2,218	3.6	2,432	13.6
Sheridan	1,402	1,402	0.0	1,326	- 5.4
Toole	1,341	1,468	9.5	1,476	10.3
Valley	2,416	2,247	- 7.0	2,210	- 8.5
Wibaux	420	460	9.5	475	13.1

SOURCE: Warren Duane Adams, "An Analysis of Montana's Public School Enrollments 1930-1950 and Projected Enrollments 1951-1960," (unpublished Master's thesis, Montana State University, Missoula, 1952), pp. 45-105.

Table XXXII. Only eight of the twenty-two counties in this area have shown lasting gains in ANB during the period from 1924 to 1950. Many counties gained in ANB from 1924 to 1930 or 1936 then decreased markedly from 1936 to 1950. McCone County illustrates this fluctuation with an ANB of 880 in 1924, 1,102 in 1930, and 575 in 1950. The ANB in Judith Basin County has decreased approximately 62 per cent from 1924 to 1950.

Total expenditures per pupil. Educational costs in Area 2 increased greatly during the period from 1924 to 1950. In many instances this increase has been over 200 per cent as shown in Table XXXIII. Building programs, transportation, financial ability, and many other factors cause a great variance between counties in educational costs per pupil. No definite relationship between enrollment and educational costs can be established except that small enrollments mean higher instructional and maintenance costs per pupil.

In each of the selected years, the average cost per pupil in most of the counties in area 2-a exceeded the state-wide average. In area 2-b only one third to two thirds of the counties exceeded the state-wide average. In area 2, Wibaux County has been consistently among the counties with the lowest educational costs per pupil.

Capital outlay and debt liquidation expenditures. The total expenditures per pupil used for capital outlay and debt

TABLE XXXII

ANB FOR SELECTED YEARS IN AREA 2

County	Total ANB					
	1923-24	1929-30	1935-36	1939-40	1948-49	1949-50
Montana	101,371	115,203	107,012	100,192	94,578	97,974
Area 2-a						
Cascade	7,101	8,219	7,524	7,016	7,456	7,839
Chouteau	1,826	1,936	1,629	1,328	1,158	1,187
Fergus	4,565	3,886	3,417	2,803	2,220	2,354
Glacier	756	935	1,395	1,579	1,768	1,898
Judith Basin	1,473	1,193	889	636	568	597
Pondera	1,184	1,585	1,566	1,373	1,213	1,288
Teton	1,269	1,396	1,250	1,491	1,385	1,448
Area 2-b						
Blaine	1,321	1,743	2,084	1,815	1,668	1,806
Daniels	1,113	906	1,293	1,094	897	853
Dawson	1,994	1,415	2,138	1,728	1,581	1,651
Fallon	1,019	1,152	1,074	948	654	699
Hill	2,301	2,424	2,695	2,391	2,049	2,045
Liberty	508	547	468	445	374	407
McCone	880	1,102	1,068	809	573	575
Phillips	1,704	1,852	1,632	1,602	1,345	1,304
Prairie	902	963	738	529	438	429
Richland	2,076	2,366	2,430	2,393	2,143	2,129
Roosevelt	2,194	2,578	2,713	2,419	2,061	2,022
Sheridan	2,242	2,663	2,247	1,975	1,344	1,361
Tools	909	1,263	1,325	1,259	1,191	1,328
Valley	2,215	2,778	3,822	3,062	2,319	2,280
Wibaux	815	675	582	491	374	383

SOURCE: State of Montana, State Department of Public Instruction, Eighteenth, Twenty-first, and Twenty-sixth Biennial Reports, 1924, 1930, 1940, and the 1948-50 Biennial Report. Data for 1935-36 furnished by State Department of Public Instruction.

TABLE XXVIII

TOTAL SCHOOL EXPENDITURES PER PUPIL FOR SELECTED YEARS IN AREA 2

County	1923-24	1929-30	1935-36	1939-40	1948-49	1949-50
Montana	\$113.09	\$129.94	\$120.88	\$150.53	\$287.61	\$342.21
Area 2-a						
Cascade	93.12	190.05	116.85	146.79	253.02	326.07
Chouteau	141.46	157.53	132.55	150.70	518.56	566.26
Fergus	112.00	158.51	128.42	137.27	382.66	434.56
Glacier	273.99	198.20	157.09	166.67	303.86	452.32
Judith Basin	114.00	174.60	154.18	229.74	459.30	503.83
Pondera	121.10	124.90	120.53	156.33	284.53	397.92
Teton	124.86	153.37	132.92	145.92	330.53	392.91
Area 2-b						
Blaine	122.98	135.88	98.26	171.48	252.61	301.51
Daniels	99.72	235.51	145.19	115.99	342.46	347.97
Dawson	89.11	181.92	99.71	138.23	247.65	287.57
Fallon	99.19	115.54	108.19	109.11	272.64	307.86
Hill	123.48	154.12	108.38	152.91	266.26	310.60
Liberty	139.45	156.89	209.31	159.46	399.94	433.31
McCone	106.11	122.05	141.22	104.64	305.49	307.58
Phillips	104.29	146.32	118.79	130.14	338.67	434.96
Prairie	115.64	204.82	112.30	196.40	274.08	303.44
Richland	100.61	108.30	116.31	91.43	259.35	448.15
Roosevelt	126.09	115.76	120.48	119.96	271.70	414.80
Sheridan	104.53	123.12	111.03	115.04	328.97	366.68
Tools	176.82	186.51	139.75	173.93	289.86	379.58
Valley	106.35	133.93	126.57	127.09	259.39	384.35
Wibaux	87.53	115.65	92.40	96.72	271.64	282.39

SOURCE: Computed from data given in: State of Montana, State Department of Public Instruction, Eighteenth, Twenty-first, and Twenty-sixth Biennial Reports, 1924, 1930, 1940, and the 1948-50 Biennial Report. Data for 1935-36 furnished by State Department of Public Instruction.

liquidation purposes for selected years is shown in Table XXXIV. A constant increase in the amount per pupil is illustrated by the state averages. Counties having expenditures considerably above the state average for certain years usually had an extensive building program in progress at that time. The patterns of construction and nonconstruction periods can be ascertained by the comparison of these expenditures for each county throughout the period.

Table XXXV indicates the percentage of the total expenditures used for capital outlay and debt liquidation purposes in the various counties in selected years. Counties with decreasing enrollments⁴ generally had little need for extensive capital outlay and debt liquidation expenditures, but those counties having increasing enrollments needed larger expenditures to provide adequate educational facilities. Figure 10⁵ shows the ranking of the various counties by average percentage of the total expenditures used for capital outlay and debt liquidation purposes during the six selected year period. Only six of the twenty-two counties exceeded the state-wide average for the period of 21.90 per cent.

Assessed and taxable valuations. Tables XXXVI and XXXVII list the assessed and taxable valuations for each of

⁴ Supra., p. 85.

⁵ Supra., p. 37.

TABLE XXXIV

CAPITAL OUTLAY AND DEBT LIQUIDATION EXPENDITURES PER PUPIL FOR SELECTED YEARS IN AREA 2

County	1923-24	1929-30	1935-36	1939-40	1948-49	1949-50
Montana	\$ 17.92	\$ 29.53	\$ 32.34	\$ 41.58	\$ 50.93	\$ 70.90
Area 2-a						
Cascade	4.17	92.20	22.29	33.71	55.67	97.21
Chouteau	13.21	12.08	11.98	10.27	173.56	160.75
Fergus	15.20	44.10	36.25	30.82	43.83	134.79
Glacier	145.87	65.24	52.18	39.59	43.56	155.77
Judith Basin	7.39	23.87	22.88	57.80	33.85	48.57
Pondera	14.66	29.75	33.10	50.55	44.36	104.29
Teton	13.07	22.87	20.07	25.84	29.23	56.16
Area 2-b						
Blaine	19.09	22.15	12.55	71.61	14.86	20.49
Daniels	16.16	69.53	56.61	17.86	31.12	51.03
Dawson	6.37	28.81	11.30	14.41	27.22	15.99
Fallon	25.63	15.40	21.92	10.87	13.27	12.99
Hill	28.95	40.80	31.27	34.55	21.17	16.03
Liberty	15.65	26.86	87.85	23.70	37.30	43.98
McCone	10.67	21.68	58.83	13.50	32.84	13.54
Phillips	20.20	35.50	23.28	38.20	58.33	107.53
Prairie	12.73	87.28	21.35	74.22	30.17	25.41
Richland	26.21	17.37	48.67	18.20	42.59	186.33
Roosevelt	36.83	17.43	33.68	12.88	21.67	114.71
Sheridan	17.38	27.30	28.25	23.52	37.73	20.68
Tools	34.46	22.08	36.33	47.24	32.62	78.96
Valley	11.94	28.09	54.70	43.89	5.83	41.07
Wibaux	8.19	7.59	6.56	4.10	8.26	7.79

SOURCE: Computed from data given in: State of Montana, State Department of Public Instruction, Eighteenth, Twenty-first, and Twenty-sixth Biennial Reports, 1924, 1930, 1940, and the 1948-50 Biennial Report. Data for 1935-36 furnished by State Department of Public Instruction.

TABLE XXV

PER CENT OF TOTAL SCHOOL EXPENDITURES USED FOR CAPITAL OUTLAY AND DEBT LIQUIDATION PURPOSES
FOR SELECTED YEARS IN AREA 2

County	1923-24	1929-30	1935-36	1939-40	1948-49	1949-50
Montana	15.84%	22.73%	26.75%	27.62%	17.71%	20.72%
Area 2-a						
Cascade	4.48	48.52	18.69	22.96	22.00	29.81
Chouteau	9.34	7.67	9.04	6.80	16.62	28.39
Fergus	13.57	27.82	28.22	22.45	11.45	31.02
Glacier	53.24	32.91	33.22	23.75	14.34	34.44
Judith Basin	6.48	13.68	14.84	25.16	9.55	9.64
Pondera	12.11	23.82	27.46	32.33	15.59	26.21
Teton	10.47	14.91	15.10	17.70	8.64	14.29
Area 2-b						
Blaine	15.52	16.31	12.77	41.76	5.88	6.80
Daniels	16.20	29.52	38.99	15.39	9.09	14.66
Dawson	7.16	15.83	11.34	10.42	10.99	5.56
Fallon	25.85	13.33	19.76	9.97	11.08	4.22
Hill	23.44	26.48	28.86	22.60	7.95	5.16
Liberty	11.23	17.12	41.97	14.86	9.33	10.15
McCone	10.06	17.76	41.66	12.90	10.75	4.40
Phillips	19.37	24.26	19.60	29.35	17.22	24.72
Prairie	11.01	42.61	19.01	37.79	11.01	8.37
Richland	26.05	16.04	41.84	19.90	16.42	41.58
Roosevelt	29.21	15.06	27.95	10.74	7.98	27.65
Sheridan	16.62	22.18	25.45	20.45	11.47	5.64
Toole	19.48	11.84	26.00	27.16	11.25	20.80
Valley	11.23	20.97	43.22	33.92	2.24	11.79
Wibaux	9.36	9.32	7.10	4.24	3.04	2.76

SOURCE: Computed from data given in: State of Montana, State Department of Public Instruction, Eighteenth, Twenty-first, and Twenty-sixth Biennial Reports, 1924, 1930, 1940, and the 1948-50 Biennial Report. Data for 1935-36 furnished by State Department of Public Instruction.

TABLE XXXVI

ASSESSED VALUATIONS FOR SELECTED YEARS IN AREA 2

County	Total assessed valuations					
	1923-24	1929-30	1935-36	1939-40	1948-49	1949-50
Montana	\$1,397,053,096	\$1,416,302,310	\$1,051,668,977	\$1,026,330,194	\$1,522,121,402	\$1,541,850,759
Area 2-a						
Cascade	110,868,598	124,875,361	95,129,773	94,858,952	125,532,700	134,028,847
Chouteau	33,342,552	31,665,177	23,462,057	22,144,667	41,380,476	36,348,349
Fergus	67,647,939	49,991,440	34,132,716	30,034,686	45,483,770	46,186,985
Glacier	10,431,603	11,779,918	13,544,125	14,862,556	28,516,694	28,031,595
Judith Basin	25,370,590	25,172,162	16,972,024	14,761,124	22,493,839	21,702,931
Pondera	17,516,077	19,635,676	14,980,859	15,914,412	27,733,513	26,404,991
Teton	19,404,041	21,849,992	17,140,417	17,679,362	31,260,280	29,516,747
Area 2-b						
Blaine	21,622,093	23,418,568	15,247,786	14,018,756	24,273,329	24,108,178
Daniels	10,218,186	12,657,912	9,182,034	8,398,949	14,150,746	13,438,228
Dawson	21,120,571	23,375,121	18,938,346	16,942,578	23,101,060	23,255,504
Fallon	12,909,994	14,178,917	8,610,321	7,349,597	13,047,391	12,564,116
Hill	28,988,637	32,171,195	25,104,417	24,283,023	37,043,596	36,651,174
Liberty	8,976,431	8,579,699	6,497,774	6,491,781	12,534,164	12,654,913
McCone	16,018,870	16,570,720	10,421,840	7,423,723	12,675,802	12,735,439
Phillips	20,415,473	21,383,143	13,219,949	11,887,531	20,903,420	20,872,922
Prairie	15,229,535	15,890,031	8,634,278	7,119,330	10,019,691	10,206,387
Richland	18,419,461	19,703,554	12,755,465	12,696,097	19,437,449	19,561,286
Roosevelt	16,668,384	19,438,746	14,927,333	14,149,352	24,653,641	24,227,138
Sheridan	19,769,691	21,376,186	14,749,021	11,669,961	21,799,423	21,321,168
Toole	17,332,758	22,815,756	16,762,245	16,576,783	25,446,423	25,625,746
Valley	25,335,299	29,876,616	21,096,566	18,727,152	30,758,336	30,523,789
Wibaux	8,283,818	7,484,027	5,954,259	4,836,787	6,967,056	7,394,476

SOURCE: State of Montana, Montana State Board of Equalization, First, Fourth, Seventh, Tenth, and Fourteenth Biennial Reports, 1924, 1930, 1936, 1940, and 1950.

TABLE XXVII

TAXABLE VALUATIONS FOR SELECTED YEARS IN AREA 2

County	Total taxable valuations					
	1923-24	1929-30	1935-36	1939-40	1948-49	1949-50
Montana	\$441,274,763	\$453,080,548	\$334,014,887	\$320,055,013	\$455,322,253	\$459,303,967
Area 2-a						
Cascade	33,498,246	37,215,201	28,005,662	27,520,748	34,858,795	36,918,930
Chouteau	10,570,972	9,902,351	7,318,189	6,641,009	10,273,618	9,955,689
Fergus	20,686,244	15,400,697	10,496,474	9,064,885	12,607,250	12,972,075
Glacier	3,559,435	3,988,120	5,815,635	6,066,902	13,232,947	12,754,630
Judith Basin	8,117,628	8,136,783	5,425,772	4,683,750	6,351,905	6,332,206
Pondera	5,353,513	6,290,968	4,787,054	4,794,422	7,315,575	7,473,187
Teton	6,061,665	6,751,787	5,330,120	5,343,143	8,197,771	8,150,947
Area 2-b						
Blaine	6,843,086	7,412,542	4,848,872	4,435,583	7,380,167	7,275,227
Daniels	3,089,738	3,818,987	2,859,078	2,544,230	3,810,466	3,755,370
Dawson	6,703,717	7,367,654	6,047,772	5,388,018	7,027,841	7,076,599
Fallon	4,189,191	4,579,706	2,899,723	2,511,610	3,909,890	3,841,199
Hill	9,088,998	9,919,290	7,739,216	7,277,110	10,173,359	10,347,122
Liberty	2,833,175	2,710,525	2,060,201	2,001,893	3,452,759	3,574,942
McCone	4,798,758	4,909,165	3,153,060	2,226,195	3,544,251	3,575,509
Phillips	6,558,218	6,776,093	4,403,789	4,006,681	6,548,041	6,519,167
Prairie	5,010,747	5,218,272	2,909,608	2,417,473	3,228,828	3,274,473
Richland	5,696,585	6,040,936	3,986,326	3,950,475	5,689,171	5,738,312
Roosevelt	5,605,197	6,334,613	4,895,798	4,516,546	7,073,938	7,042,280
Sheridan	6,036,058	6,470,936	4,509,025	3,431,051	5,666,445	5,653,321
Toole	5,774,218	8,996,810	6,201,729	5,708,876	8,698,417	8,834,592
Valley	7,972,757	9,264,232	6,611,728	5,682,205	8,600,280	8,625,641
Wibaux	2,593,420	2,355,044	1,897,348	1,553,956	2,105,424	2,199,132

SOURCE: State of Montana, Montana State Board of Equalization, First, Fourth, Seventh, Ninth, and Fourteenth Biennial Reports, 1924, 1930, 1936, 1940, and 1950.

the counties in area 2 for selected years. The taxable valuations are more directly concerned with school finance than are the assessed valuations since the annual mill levies are against the taxable valuations. The assessed valuations are used in determining the limit of bonded indebtedness which a school district may reach.

Low assessed and taxable valuations per pupil result in high millage levies for school purposes. Conversely, high valuations per pupil result in low millage levies. A levy of 50 mills against a taxable valuation of \$10,000,000 will raise a total of \$500,000. Richland and Roosevelt Counties, receiving nearly maximum state aid in 1949-50, found it necessary to levy 62.46 mills and 62.13 mills,⁶ respectively, to provide the local share of the cost of the public schools in the counties. Fourteen of the twenty-two counties in area 2 levied less than the state-wide average of 43.84 mills⁷ for this period. The taxable valuations per pupil in area 2 vary from \$2,695 per pupil in Richland County to a high of \$11,368 per pupil in Judith Basin County. Judith Basin County had the highest valuation per pupil in the state.

Millage levies. A comparison of the 1949-50 average tax levies for public school purposes in each of the counties

⁶ Infra., p. 94.

⁷ Infra., p. 94.

in area 2 with the state-wide average is given in Table XXXVIII. Only eight of the twenty-two counties levied more than the state average of 43.84 mills. Richland County, with a levy of 62.46 mills, and Roosevelt County, with 62.13 mills, had some of the highest levies in the state.⁸ Prairie County made the lowest levy in area 2 with a 29.52 mill levy.

Portion of the property tax used for public school purposes. Table XXXIX shows that in 1949-50 only twelve of the twenty-two counties in area 2 allotted a larger portion of the property tax dollar for public school purposes than the state-wide average of 43.33 per cent. Daniels, Judith Basin, and Roosevelt Counties used over 48 per cent of the property tax dollar for the support of their public schools.

Federal real estate. Table XL shows that the federal real estate in most of the counties in area 2 is not of great importance. Area 2-a has only 26.26 per cent of the land area under federal ownership. The equivalent taxation of this acreage would increase the county tax revenues by only 7.98 per cent. Roosevelt County tax revenues would be increased by 38.78 per cent if the federal lands were taxed. This is the highest such valuation in area 2. Glacier County has 79.60 per cent of the land under federal ownership, but proportionate taxation would increase the county property tax

⁸ Supra., p. 31.

TABLE XXIVIII
 AVERAGE MILL LEVIES FOR SCHOOL PURPOSES
 IN AREA 2
 1949-50

Area County	Average mill levy
Montana	43.84 mills
Area 2-a	
Cascade	48.29
Chouteau	39.20
Fergus	43.46
Glacier	33.04
Judith Basin	35.53
Pondera	42.77
Teton	47.71
Area 2-b	
Blaine	40.73
Daniels	50.58
Dawson	40.86
Fallon	34.97
Hill	46.46
Liberty	39.78
McCone	38.62
Phillips	41.33
Prairie	29.52
Richland	62.46
Roosevelt	62.13
Sheridan	40.40
Toole	48.77
Valley	47.64
Wibaux	36.60

NOTE: The mill levies given do not include those for support of the university units.

SOURCE: Computed from data given in: State of Montana, Montana State Board of Equalization, Fourteenth Biennial Report, 1950, pp. 129, 131.

TABLE XXXIX

PORTION OF THE PROPERTY TAX USED FOR
PUBLIC SCHOOL PURPOSES IN AREA 2
1949-50

Area County	Per cent of the property tax used for public school purposes
Montana	43.33%
Area 2-a	
Caseade	44.00
Chouteau	44.83
Fergus	45.70
Glacier	41.00
Judith Basin	48.77
Pondera	44.93
Teton	40.64
Area 2-b	
Blaine	35.76
Daniels	48.11
Dawson	40.99
Fallon	39.15
Hill	45.02
Liberty	43.70
McCone	32.34
Phillips	39.54
Prairie	36.11
Richland	36.78
Roosevelt	49.89
Sheridan	44.40
Toole	47.85
Valley	47.09
Wibaux	39.34

NOTE: The percentages given do not include the taxes for the support of the university units.

SOURCE: Computed from data given in: State of Montana, Montana State Board of Equalization, Fourteenth Biennial Report, 1950, pp. 129, 131, 133.

TABLE XL
RELATIVE IMPORTANCE OF FEDERAL REAL ESTATE
HOLDINGS IN AREA 2
1948

Area County	Per cent of land federally owned	Ratio of federal valuation to total taxable valuation
Montana	36.58%	11.57%
Area 2	26.26	7.98
2-a	27.00	5.89
Cascade	13.68	3.13
Chouteau	9.37	3.54
Fergus	19.15	3.42
Glacier	79.60	17.11
Judith Basin	25.71	7.69
Pondera	25.03	7.35
Teton	21.36	5.77
2-b	25.87	10.15
Blaine	36.96	17.39
Daniels	8.46	5.59
Dawson	4.08	2.10
Fallon	11.13	1.80
Hill	6.14	2.45
Liberty	3.28	1.36
McCone	14.92	4.08
Phillips	45.83	24.08
Prairie	40.78	8.92
Richland	4.31	1.71
Roosevelt	47.65	38.78
Sheridan	14.01	6.78
Toole	4.43	1.20
Valley	48.74	16.99
Wibaux	4.57	0.81

SOURCE: Committee on Tax Education and School Finance, Status and Fiscal Significance of Federal Lands in the Eleven Western States (Washington, D. C.: National Education Association of the United States, 1950), p. 66.

revenues only 17.11 per cent. In only five of the twenty-two counties does the percentage of real estate under federal ownership exceed 40 per cent.

Federal ownership of real estate, in all but a few counties in area 2, is of little relative importance in-so-far as possible sources of tax revenues are concerned.

Summary. Area 2, with approximately 34 per cent of the total population of the State, and approximately 36 per cent of the total public school enrollments in Montana, may expect a continuing decrease in the rural population and an increase in urban population with the total population showing a slight gain. This area may expect an increase of approximately 10 per cent in original enrollments by 1955 and an increase of 27 per cent by 1960.

Area 2 has the lowest area-wide percentage of federally owned land of the three economic areas within the State. The equivalent taxation of these federal lands would increase the property tax revenues approximately 8 per cent for the area. Only six of the twenty-two counties would have more than a 10 per cent increase in property tax revenues by such taxation. While the federally owned lands are of little significance, this area, in 1947-48, educated 64 per cent of the 2,161 children of one fourth or more Indian blood attending the public schools in Montana during that school year. This placed a heavy financial burden on those school

districts having large enrollments of children of Indian blood.

This area, while not expecting large increases in enrollments during the next few years, still must make a considerable effort to better the school plant facilities. Only 8.4 per cent of the school plants in the area received a "satisfactory" rating during the school facilities survey and 30.2 per cent of the pupils enrolled in the public schools were housed in school plants receiving an "unsatisfactory" rating. In seven of the twenty-two counties in area 2 none of the schools rated were in the "satisfactory" classification.

The taxable valuation per pupil is relatively high in most of the counties in area 2 with only four counties having a taxable valuation of less than \$4,000 per pupil.

As in area 1, concentration of school finance problems in certain counties in area 2 indicates the need for a more inclusive program of state aid, especially the inclusion of state aid for capital outlay programs.

CHAPTER V

NEEDS AND ABILITIES IN ECONOMIC AREA 3

The needs and financing abilities of the fifteen counties in economic area 3¹ were analyzed by the use of figures and tables presenting the present condition of the school plants, trends and predictions for population and enrollments, and data presenting the past record of school finance in each of the counties in area 3.

School plant ratings. Tables XLI and XLII present the ratings given school plants in each county by the school facilities survey. A study of these tables and Tables I² and II³ reveals that 27.7 per cent of the school plants in area 3 were classified as "unsatisfactory" and that 26.1 per cent of the enrollment in the public schools was housed in these unsatisfactory plants, as compared to 42.5 per cent housed in the 61.1 per cent of the plants receiving a "fair" rating, and 31.4 per cent housed in the 11.2 per cent of the plants rated "satisfactory." Rural schools comprised 73.0 per cent of the school plants in this area but housed only 10.9 per cent of the pupils. In area 3-a, the rural 49.5 per cent of

¹ Supra., p. 11.

² Supra., p. 16.

³ Supra., p. 17.

TABLE XII

SCHOOL PLANT RATINGS AND ENROLLMENTS FOR AREA 3-a
1951

County	Satisfactory			Fair			Unsatisfactory			Totals	
	No. schools	Enroll-ment	% Total enrollment	No. schools	Enroll-ment	% Total enrollment	No. schools	Enroll-ment	% Total enrollment	No. schools	Enroll-ment
Montana											
1st, 2nd, 3rd	76	25,164	28.6%	140	34,677	39.9%	119	28,077	31.9%	335	87,918
Rural	61	2,076	18.1	588	7,403	64.7	179	1,972	17.2	828	11,451
Totals	137	27,240	27.4	728	42,080	42.4	298	30,049	30.2	1,163	99,369
Area 3-a											
1st, 2nd, 3rd	10	4,683	37.4%	17	4,658	37.2%	16	3,187	25.4%	43	12,528
Rural	4	61	10.4	31	485	82.8	7	40	6.8	42	586
Totals	14	4,744	36.2	48	5,143	39.2	23	3,227	24.6	85	13,114
Big Horn											
1st, 2nd, 3rd	2	293	23.0%	1	206	16.5%	2	758	60.5%	5	1,257
Rural	—	—	—	11	188	100.0	—	—	—	11	188
Totals	2	293	20.5	12	394	27.0	2	758	52.5	16	1,445
Carbon											
1st, 2nd, 3rd	—	—	—	6	846	50.0%	5	844	50.0%	11	1,690
Rural	2	44	20.5	12	160	75.0	2	10	4.5	16	214
Totals	2	44	2.5	18	1,006	53.0	7	854	44.5	27	1,904
Stillwater											
1st, 2nd, 3rd	—	—	—	4	646	64.0%	3	365	36.0%	7	1,011
Rural	2	17	9.0	8	177	74.5	5	30	16.5	15	184
Totals	2	17	1.0	12	823	66.0	8	395	33.0	22	1,195
Yellowstone											
1st, 2nd, 3rd	8	4,390	51.0%	6	2,960	34.9%	6	1,220	14.5%	20	8,570
Rural	—	—	—	—	—	—	—	—	—	—	—
Totals	8	4,390	51.0	6	2,960	34.5	6	1,220	14.5	20	8,570

NOTE: 90 per cent of the schools in Montana reported in the survey.

SOURCE: Table prepared from raw data from The First Phase of the School Facilities Survey, Fall 1951, as furnished by W. L. Emmert, State Director of The School Facilities Survey, State Department of Public Instruction, Helena, Montana.

TABLE XLIII

SCHOOL PLANT RATINGS AND ENROLLMENTS FOR AREA 3-b
1951

County	Satisfactory			Fair			Unsatisfactory			Totals	
	No. schools	Enroll-ment	% Total enrollment	No. schools	Enroll-ment	% Total enrollment	No. schools	Enroll-ment	% Total enrollment	No. schools	Enroll-ment
Montana											
1st, 2nd, 3rd	76	25,164	28.6%	140	34,677	39.5%	119	28,077	31.9%	335	87,918
Rural	61	2,076	18.1	583	7,493	64.7	173	1,972	17.2	828	11,451
Totals	137	27,240	27.4	728	42,080	42.4	298	30,049	30.2	1,163	99,369
Area 3-b											
1st, 2nd, 3rd	6	1,159	22.4%	11	2,332	45.0%	12	1,693	32.6%	29	5,184
Rural	10	347	21.9	104	967	61.0	39	271	17.1	153	1,585
Totals	16	1,506	22.2	115	3,299	48.8	51	1,964	29.0	182	6,769
Carter											
1st, 2nd, 3rd	2	314	100.0%	—	—	—	—	—	—	2	314
Rural	4	28	12.5	22	150	66.0	6	49	21.5	32	227
Totals	6	342	63.0	22	150	28.0	6	49	9.0	34	541
Custer											
1st, 2nd, 3rd	—	—	—	4	1,674	96.0%	1	76	4.0%	5	1,750
Rural	1	94	38.5	11	104	42.5	10	46	19.0	22	244
Totals	1	94	5.0	15	1,778	89.0	11	122	6.0	27	1,994
Garfield											
1st, 2nd, 3rd	—	—	—	2	223	100.0%	—	—	—	2	223
Rural	—	—	—	14	120	83.5	4	24	16.5	18	144
Totals	—	—	—	16	343	93.5	4	24	6.5	20	367
Golden Valley											
1st, 2nd, 3rd	1	163	63.5%	1	94	36.5%	—	—	—	2	257
Rural	—	—	—	4	40	75.5	2	13	24.5	6	53
Totals	1	163	52.5	5	134	43.0	2	13	4.5	8	310
Missoula											
1st, 2nd, 3rd	—	—	—	—	—	—	5	901	100.0%	5	901
Rural	—	—	—	5	36	100.0	—	—	—	5	36
Totals	—	—	—	5	36	4.0	5	901	96.0	10	937
Petroleum											
1st, 2nd, 3rd	1	38	30.0%	—	—	—	1	89	70.0%	2	127
Rural	—	—	—	—	—	—	1	16	100.0	1	16
Totals	1	38	26.5	—	—	—	2	105	73.5	3	143
Powder River											
1st, 2nd, 3rd	—	—	—	2	189	100.0%	—	—	—	2	189
Rural	—	—	—	22	157	70.0	9	68	30.0	31	225
Totals	—	—	—	24	346	83.5	9	68	16.5	33	414
Rosebud											
1st, 2nd, 3rd	2	644	79.0%	1	120	15.0%	2	47	6.0%	5	811
Rural	2	128	51.0	4	191	40.0	3	32	9.0	9	251
Totals	4	772	72.5	5	221	21.0	5	69	6.5	14	1,062
Sweet Grass											
1st, 2nd, 3rd	—	—	—	—	—	—	1	280	100.0%	1	280
Rural	2	64	24.0	16	181	67.0	3	25	9.0	21	270
Totals	2	64	11.5	16	181	39.0	4	305	55.5	22	550
Treasure											
1st, 2nd, 3rd	—	—	—	—	—	—	1	235	100.0%	1	235
Rural	—	—	—	3	61	100.0	—	—	—	3	61
Totals	—	—	—	3	61	20.5	1	235	79.5	4	296
Wheatland											
1st, 2nd, 3rd	—	—	—	1	32	39.0%	1	65	67.0%	2	97
Rural	1	33	57.0	3	17	29.0	1	8	14.0	5	58
Totals	1	33	21.0	4	49	32.0	2	73	47.0	7	155

NOTE: 90 per cent of the schools in Montana reported in the survey.

SOURCE: Table prepared from raw data from The First Phase of the School Facilities Survey, Fall 1951, as furnished by W. L. Emmert, State Director of The School Facilities Survey, State Department of Public Instruction, Helena, Montana.

the school plants housed only 4.7 per cent of the pupils; in area 3-b, the rural 84.1 per cent of the school plants housed 30.7 per cent of the pupils. In these areas, approximately 27.0 per cent of the school plants housed 89.1 per cent of the pupils. Low pupil-plant ratios mean high costs per pupil.

In area 3-a 24.6 per cent of the enrollment was housed in school plants receiving "unsatisfactory" ratings while area 3-b housed 29.0 per cent in similar plants. Plants rated "satisfactory" housed 36.2 per cent of the enrollment in area 3-a in comparison to the 22.2 per cent in area 3-b. The state-wide averages were 27.4 per cent housed in plants rated "satisfactory" and 30.2 per cent housed in plants rated "unsatisfactory."

Characteristics of population and schools. Table XLIII shows that in only one of the four counties in area 3-a, the percentage of urban and rural nonfarm population exceeded the state-wide average of 77.0 per cent. Yellowstone County had the highest percentage in this area with 87.5 per cent of the inhabitants classified as urban and rural nonfarm population. Stillwater County, with only 50.7 per cent of the population in this classification, had the lowest percentage in area 3-a.

In area 3-b, only two of the eleven counties rated above the state-wide average percentage of urban and rural nonfarm population. Custer County, with 84.8 per cent, and

TABLE XLIII

 CHARACTERISTICS OF POPULATION AND SCHOOLS
 BY COUNTIES IN AREA 3
 1949-50

County	Population ¹		Number of school districts	Districts operating schools		Schools ²		% Pupils in town schools	Number of rural schools	% Pupils in rural schools
	% Urban and rural nonfarm	% Farm				Number of town schools				
				Elem.	H.S.	Elem.	H.S.			
Montana	77.0%	23.0%	1,321	1,050	133	227	179	66.6%	994	11.4%
Area 3-a										
Big Horn	57.4	42.6	7	7	—	6	2	92.0	14	8.0
Carbon	56.8	43.2	37	27	4	8	8	87.1	20	12.9
Stillwater	50.7	49.3	35	24	5	5	5	80.7	20	19.3
Yellowstone	87.5	12.5	27	25	—	12	6	97.1	17	2.9
Area 3-b										
Carter	38.7	61.3	25	20	—	1	1	58.6	35	41.4
Custer	84.8	15.2	24	17	—	3	2	93.0	18	7.0
Garfield	37.8	62.2	22	22	—	1	1	53.9	32	46.7
Golden Valley	44.5	55.5	16	11	2	2	2	78.7	8	21.3
Musselshell	81.0	19.0	11	10	4	4	4	92.5	7	7.5
Petroleum	49.8	50.2	10	8	1	1	1	73.9	7	26.1
Powder River	30.1	69.9	24	23	1	1	1	47.3	33	52.7
Rosebud	63.0	37.0	26	14	4	4	5	86.9	8	13.1
Sweet Grass	53.7	46.3	36	25	—	1	1	66.0	24	34.0
Treasure	40.9	59.1	7	7	1	1	1	68.8	6	31.2
Wheatland	75.1	24.9	8	7	3	2	3	83.3	6	16.7

¹ U. S. Bureau of the Census, U. S. Census of Population: 1950, Vol. I, Number of Inhabitants, Chapter 26: Montana (Washington, D. C.: U. S. Government Printing Office, 1951), p. 20.

² State of Montana, 1948-1950 Biennial Report of the State Department of Public Instruction (Helena, Montana: Eagle Printing Company, 1950), p. 106.

Musselshell County, with 81.0 per cent, had the highest percentages in this area. Powder River County, with only 30.1 per cent urban and rural nonfarm population, had the lowest percentage in area 3-b.

In all but Stillwater County in area 3-a and in only Custer and Musselshell Counties in area 3-b was the percentage of pupils attending town schools larger than the state-wide average of 88.6 per cent. The number of rural schools in each county varied widely from Carter with thirty-five to Treasure and Wheatland each with six such schools.

Population trends. Data on the total population of the area and the counties for 1940 and 1950 with the percentage increase or decrease during the same period are shown in Table XLIV. Area 3 gained 10.9 per cent in population from 1940 to 1950. Area 3-a gained 17.6 per cent while area 3-b remained static. Yellowstone, Custer, and Rosebud Counties showed the only gains with 35.7 per cent, 21.5 per cent, and 1.4 per cent, respectively. All of the other counties decreased in population from Sweet Grass County with a 2.6 per cent decrease to Garfield County with a 17.8 per cent decrease. The increases in Custer and Rosebud Counties just offset the decreases in the other nine counties in area 3-b.

Table XLV presents the urban population trends in area 3. The state-wide urban population increased 19.6 per cent from 1940 to 1950. The increase for area 3 for the same

TABLE XLIV
POPULATION TRENDS IN AREA 3
1940-50

Area County	Population		Per cent increase 1940-50
	1950	1940	
Montana	591,024	559,456	5.6%
Area 3	124,231	112,050	10.9
3-a	81,356	69,160	17.6
Big Horn	9,824	10,419	- 5.7
Carbon	10,241	11,865	-13.7
Stillwater	5,416	5,694	- 4.9
Yellowstone	55,875	41,182	35.7
3-b	42,875	42,890	0.0
Carter	2,798	3,280	-14.7
Custer	12,661	10,422	21.5
Garfield	2,172	2,641	-17.8
Golden Valley	1,337	1,607	-16.8
Musselshell	5,408	5,717	- 5.4
Petroleum	1,026	1,083	- 5.3
Powder River	2,693	3,159	-14.8
Rosebud	6,570	6,477	1.4
Sweet Grass	3,621	3,719	- 2.6
Treasure	1,402	1,499	- 6.5
Wheatland	3,187	3,286	- 3.0

SOURCE: U. S. Bureau of the Census, U. S. Census of Population: 1950. Vol. I, Number of Inhabitants, Chapter 26: Montana (Washington, D. C.: U. S. Government Printing Office, 1951), p. 8.

TABLE XLV
 URBAN POPULATION TRENDS IN AREA 3
 1940-50

Area City	Urban population		Per cent increase 1940-50
	1950	1940	
Montana, total	(591,024)	(559,456)	5.6%
urban	258,034	215,827	19.6
Area 3	50,326	38,922	29.3
3-a	38,227	28,965	32.0
Billings	31,834	23,261	36.9
Laurel	3,663	2,754	33.0
Red Lodge	2,730	2,950	- 7.5
3-b	12,099	9,957	21.5
Miles City	9,243	7,313	26.4
Roundup	2,856	2,644	8.0

NOTE: Urban classification includes all places of 2,500 or more inhabitants in 1950.

SOURCE: U. S. Bureau of the Census, U. S. Census of Population: 1950. Vol. I, Number of Inhabitants, Chapter 26: Montana (Washington, D. C.: U. S. Government Printing Office, 1951), p. 16.

period was 29.3 per cent. Within area 3, the urban population of area 3-a gained 32.0 per cent while that of area 3-b gained only 21.5 per cent. Billings, the largest urban center in area 3, gained 36.9 per cent. Four of the five urban centers in this area increased in population from Roundup with 8.0 per cent to Billings. Red Lodge was the only urban center in area 3 to show a decrease. While the total number of inhabitants in area 3 increased by 12,181 persons from 1940 to 1950, the urban population increased 11,404 inhabitants. This is definite evidence of the urbanization trend in this area.

Projected enrollments. Projected increases and decreases in original enrollments for the years 1955 and 1960 are given in Table XLVI. Big Horn and Yellowstone Counties in area 3-a are expected to show increases in enrollments for 1955 and 1960 while Carbon and Stillwater Counties will probably show decreases. In area 3-b, only three of the eleven counties are expected to experience decreasing enrollments by 1960.

Yellowstone County is expected to show the largest increases in original enrollments of any of the counties in Montana. The projection shows an increase of 40.7 per cent for Yellowstone County in 1955 and 91.1 per cent in 1960. Custer County should expect the next largest increase in area 3 with 59.9 per cent by 1960. Carbon and Sweet Grass Counties

TABLE XLVI
PROJECTED ENROLLMENTS FOR AREA 3
1955 AND 1960

Area County	Original enrollments 1949-50	Projected original enrollments 1954-55	Per cent increase 1950-55	Projected original enrollments 1959-60	Per cent increase 1950-60
Montana	105,600	122,120	15.6%	143,899	36.3%
Area 3	23,137	26,693	15.4	32,136	38.9
3-a					
Big Horn	2,006	2,188	9.1	2,516	25.4
Carbon	2,042	1,537	-24.7	1,139	-44.2
Stillwater	1,128	1,034	- 8.3	1,010	-10.5
Yellowstone	9,754	13,727	40.7	18,637	91.1
3-b					
Carter	567	518	- 8.7	472	-16.8
Custer	2,206	2,556	15.9	3,528	59.9
Garfield	426	424	- 0.5	446	4.7
Golden Valley	271	281	3.7	281	3.7
Musselshell	885	1,119	26.4	1,045	18.1
Petroleum	184	192	4.3	186	1.1
Powder River	457	474	3.7	469	2.6
Rosebud	1,110	1,052	- 5.2	986	-11.2
Sweet Grass	706	577	-17.3	396	-43.9
Treasure	292	322	10.3	332	13.7
Wheatland	638	692	8.5	693	8.6

SOURCE: Warren Duane Adams, "An Analysis of Montana's Public School Enrollments 1930-1950 and Projected Enrollments 1951-1960," (unpublished Master's thesis, Montana State University, Missoula, 1952), pp. 45-105.

are expected to show the greatest decreases with 44.2 per cent and 43.9 per cent, respectively.

Average number belonging. Table XLVII shows a decreasing ANB for all counties in area 3 except Yellowstone which has increased approximately 80 per cent since 1924. The ANB in Big Horn County increased from 1924 to 1940 then decreased to 1949 with a slight increase to 1950. The low point during the selected years in the ANB for most of the counties was in 1949 with slight increases for 1950.

Total expenditures per pupil. Table XLVIII illustrates the increase in educational costs from 1924 to 1950. In Carbon and Stillwater Counties, this increase has been over 300 per cent. Building programs, transportation, financial ability, and many other factors cause a great variance between counties in educational costs per pupil.

During each of the selected years, the average cost per pupil in approximately one half of the counties in area 3-a exceeded the state-wide average.

Capital outlay and debt liquidation expenditures. Table XLIX gives the amount of expenditures per pupil used for capital outlay and debt liquidation purposes for selected years. Counties having expenditures considerably above the state average for certain years usually had an extensive building program in progress at that time. The pattern of construction and nonconstruction periods can be ascertained

TABLE XLVII

ANB FOR SELECTED YEARS IN AREA 3

County	Total ANB					
	1923-24	1929-30	1935-36	1939-40	1948-49	1949-50
Montana	101,371	115,203	107,012	100,192	94,578	97,974
Area 3-a						
Big Horn	1,344	1,601	1,952	2,018	1,838	1,871
Carbon	3,588	3,163	2,932	2,582	1,909	1,937
Stillwater	1,467	1,413	1,330	1,185	995	1,081
Yellowstone	5,024	6,448	7,264	7,677	8,602	9,185
Area 3-b						
Carter	779	805	800	643	535	551
Custer	2,235	2,147	2,220	2,511	1,766	1,820
Garfield	834	973	569	538	422	404
Golden Valley	598	567	412	338	247	264
Musselshell	2,035	1,845	1,322	1,066	821	839
Petroleum	— ^a	468	365	248	165	173
Powder River	632	618	725	642	397	431
Rosebud	1,486	1,529	1,399	1,294	822	1,034
Sweet Grass	879	849	771	675	663	675
Treasure	391	407	416	342	255	278
Wheatland	1,055	988	816	700	603	617

^a Petroleum County organized in 1924.

SOURCE: State of Montana, State Department of Public Instruction, Eighteenth, Twenty-first, and Twenty-sixth Biennial Reports, 1924, 1930, 1940, and the 1948-50 Biennial Report. Data for 1935-36 furnished by State Department of Public Instruction.

TABLE XLVIII

TOTAL SCHOOL EXPENDITURES PER PUPIL FOR SELECTED YEARS IN AREA 3

County	1923-24	1929-30	1935-36	1939-40	1948-49	1949-50
Montana	\$113.09	\$129.94	\$120.88	\$150.53	\$287.61	\$342.21
Area 3-a						
Big Horn	108.23	117.24	91.05	106.78	245.86	278.87
Carbon	86.39	106.81	80.13	125.55	303.85	401.87
Stillwater	105.51	137.83	118.55	126.23	279.86	444.32
Yellowstone	111.54	106.38	131.71	250.38	280.03	267.08
Area 3-b						
Carter	91.13	126.33	92.59	114.91	265.82	333.57
Custer	118.08	136.43	103.36	93.19	209.07	259.56
Garfield	144.11	182.40	150.96	137.20	359.47	403.00
Golden Valley	144.69	169.96	148.62	147.58	359.76	390.24
Musselshell	99.20	106.50	118.64	171.00	285.02	353.89
Petroleum	— ^a	196.30	105.61	153.70	346.14	396.73
Powder River	96.34	160.55	92.89	125.53	388.19	380.11
Rosebud	157.14	144.90	139.67	151.50	440.04	491.45
Sweet Grass	121.46	133.29	97.35	119.19	286.75	324.20
Treasure	125.68	129.27	97.77	124.70	286.37	341.18
Wheatland	118.52	144.16	125.99	130.19	281.14	329.66

^a Petroleum County organized in 1924.

SOURCE: Computed from data given in: State of Montana, State Department of Public Instruction, Eighteenth, Twenty-first, and Twenty-sixth Biennial Reports, 1924, 1930, 1940, and the 1948-50 Biennial Report. Data for 1935-36 furnished by State Department of Public Instruction.

TABLE XLIX

CAPITAL OUTLAY AND DEBT LIQUIDATION EXPENDITURES PER PUPIL FOR SELECTED YEARS IN AREA 3

County	1923-24	1929-30	1935-36	1939-40	1948-49	1949-50
Montana	\$ 17.92	\$ 29.53	\$ 32.34	\$ 41.58	\$ 50.93	\$ 70.90
Area 3-a						
Big Horn	16.85	16.44	13.06	14.08	19.11	16.30
Carbon	6.11	16.96	8.26	37.99	42.42	59.76
Stillwater	16.22	23.69	30.25	18.37	17.78	123.74
Yellowstone	19.00	21.88	60.22	163.15	101.17	63.75
Area 3-b						
Carter	8.21	15.18	6.48	9.18	7.22	11.22
Custer	27.05	29.04	21.60	19.13	8.12	18.99
Garfield	29.17	39.53	16.86	6.75	22.05	20.50
Golden Valley	16.39	24.19	34.45	12.85	34.37	15.21
Musselshell	25.21	16.55	28.50	55.76	25.79	38.27
Petroleum	— ^a	27.19	10.68	19.83	24.16	22.15
Powder River	9.62	18.47	5.76	12.47	19.65	12.70
Rosebud	21.74	26.49	41.29	34.06	38.98	130.13
Sweet Grass	19.83	8.18	4.77	6.29	36.15	37.33
Treasure	28.51	22.75	16.41	25.20	15.97	9.74
Wheatland	13.04	29.51	29.86	12.56	23.88	38.53

^a Petroleum County organized in 1924.

SOURCE: Computed from data given in: State of Montana, State Department of Public Instruction, Eighteenth, Twenty-first, and Twenty-sixth Biennial Reports, 1924, 1930, 1940, and the 1948-50 Biennial Report. Data for 1935-36 furnished by State Department of Public Instruction.

by the comparison of these expenditures for each county throughout the period.

Table L indicates the portion of the total public school expenditures used for capital outlay and debt liquidation purposes by the various counties during selected years. Counties with decreasing enrollments⁴ generally had little need for extensive capital outlay and debt liquidation expenditures, but those counties having increasing enrollments needed larger expenditures to provide adequate educational facilities. Figure 10⁵ shows the ranking of the various counties by average percentage of the total expenditures used for capital outlay and debt liquidation purposes for the six selected year period. Only Yellowstone County exceeds the state-wide average of 21.90 per cent for the six selected years. Yellowstone County's average for the period was 34.82 per cent with Rosebud County next with 19.92 per cent. Four of the fifteen counties have used less than 10 per cent of the total expenditures for capital outlay and debt liquidation purposes for the period with Carter County having the lowest average in area 3 with 7.02 per cent.

Assessed and taxable valuations. County assessed and taxable valuations in area 3 for the six selected years are

⁴ Supra., p. 110.

⁵ Supra., p. 37.

TABLE I

PER CENT OF TOTAL SCHOOL EXPENDITURES USED FOR CAPITAL OUTLAY AND DEBT LIQUIDATION PURPOSES
FOR SELECTED YEARS IN AREA 3

County	1923-24	1929-30	1935-36	1939-40	1948-49	1949-50
Montana	15.84%	22.73%	26.75%	27.62%	17.71%	20.72%
Area 3-a						
Big Horn	15.57	14.02	14.34	13.19	7.77	5.85
Carbon	9.38	15.88	10.32	30.26	13.96	14.87
Stillwater	15.36	17.19	25.52	14.56	6.32	27.65
Yellowstone	17.04	20.57	45.72	65.58	36.12	23.87
Area 3-b						
Carter	9.00	12.02	7.00	7.99	2.72	3.36
Custer	22.91	21.28	20.89	20.53	3.83	7.31
Garfield	20.24	21.67	11.16	4.92	6.13	7.57
Golden Valley	11.33	14.23	23.18	8.70	9.55	3.90
Musselshell	25.41	15.54	24.02	31.74	9.05	10.82
Petroleum	— ^a	13.85	30.12	12.90	6.98	5.58
Powder River	9.98	11.50	6.20	9.93	5.06	3.34
Rosebud	13.63	18.29	29.57	22.48	8.86	26.48
Sweet Grass	16.33	6.14	4.90	5.28	12.61	11.52
Treasure	22.68	17.59	16.78	20.21	5.58	2.86
Wheatland	11.01	20.47	23.71	9.65	8.50	11.69

^a Petroleum County organized in 1924.

SOURCE: Computed from data given in: State of Montana, State Department of Public Instruction, Eighteenth, Twenty-first, and Twenty-sixth Biennial Reports, 1924, 1930, 1948, and the 1948-50 Biennial Report. Data for 1935-36 furnished by State Department of Public Instruction.

shown in Tables LI and LII. The taxable valuations are more directly concerned with school finance than are the assessed valuations since the annual mill levies are against the taxable valuations. The assessed valuations are used in the determination of the limit of bonded indebtedness which a school district may reach.

Musselshell County was the only county in area 3 which had to make a higher levy than the state-wide average in 1949-50 to provide the local share of the cost of the public schools. The taxable valuations per pupil in area 3 vary from \$3,664 in Big Horn County to \$9,362 in Golden Valley County with only three of the fifteen counties having valuations below the state-wide average of \$4,688.⁶

Millage levies. The 1949-50 average tax levies for public school purposes in each of the counties are shown in Table LIII. The millage levies range from 47.71 mills in Musselshell County to 28.19 mills in Petroleum County. All counties in area 3 except Musselshell County levied less than the state-wide average of 43.84 mills.

Portion of the property tax used for public school purposes. Table LIV shows that only seven of the fifteen counties in area 3 allotted a larger portion of the property tax dollar for public school purposes than the state-wide

⁶ Supra., p. 30.

TABLE LI
 ASSESSED VALUATIONS FOR SELECTED YEARS IN AREA 3

County	Total assessed valuations					
	1923-24	1929-30	1935-36	1939-40	1948-49	1949-50
Montana	\$1,397,053,096	\$1,416,302,310	\$1,051,668,977	\$1,026,330,194	\$1,522,121,402	\$1,541,850,759
Area 3-a						
Big Horn	17,628,855	17,914,589	11,641,856	14,518,273	23,582,316	23,271,338
Carbon	22,949,230	22,424,043	18,135,610	17,319,116	29,816,305	29,941,480
Stillwater	15,696,996	16,731,376	12,381,494	12,212,979	19,602,620	19,393,053
Yellowstone	67,192,075	70,116,963	60,365,976	68,318,056	128,588,286	140,404,743
Area 3-b						
Carter	9,379,011	10,600,497	8,742,622	6,855,591	10,245,944	10,096,451
Custer	27,833,491	28,431,026	21,275,873	19,484,294	28,360,434	29,788,277
Garfield	16,204,031	15,063,264	8,398,456	4,519,326	8,888,102	8,095,173
Golden Valley	13,119,995	9,730,543	5,473,118	5,181,420	7,374,459	7,510,342
Musselshell	14,668,610	14,401,587	9,772,921	7,753,033	11,397,585	11,533,529
Petroleum	— ^a	8,928,909	4,881,203	2,398,855	4,846,153	4,488,864
Powder River	8,277,037	9,923,088	7,517,165	6,553,498	11,117,864	10,445,136
Rosebud	22,696,126	23,058,223	17,189,384	15,114,430	23,725,911	23,138,122
Sweet Grass	15,801,694	15,312,875	10,371,469	10,225,271	13,296,680	14,177,961
Treasure	6,637,954	6,487,756	4,992,389	3,791,908	5,742,227	5,690,742
Wheatland	21,144,353	17,802,925	11,295,934	9,731,930	13,064,268	13,311,019

^a Petroleum County organized in 1924.

SOURCE: State of Montana, Montana State Board of Equalization, First, Fourth, Seventh, Ninth, and Fourteenth Biennial Reports, 1924, 1930, 1936, 1940, and 1950.

TABLE LII

TAXABLE VALUATIONS FOR SELECTED YEARS IN AREA 3

County	Total taxable valuations					
	1923-24	1929-30	1935-36	1939-40	1948-49	1949-50
Montana	\$441,274,763	\$453,080,548	\$334,014,887	\$320,055,013	\$455,322,253	\$459,303,967
Area 3-a						
Big Horn	5,818,863	5,883,468	3,836,619	4,600,629	6,936,675	6,855,312
Carbon	8,204,365	7,607,390	6,025,842	5,907,920	11,917,655	11,667,708
Stillwater	4,947,550	5,235,929	3,889,402	3,810,858	5,802,936	5,743,396
Yellowstone	20,859,266	21,583,055	18,341,427	20,034,320	36,057,925	39,204,702
Area 3-b						
Carter	2,830,953	3,197,082	2,642,019	2,060,349	3,028,200	2,992,180
Custer	10,720,455	9,019,702	6,706,147	6,107,121	8,597,684	8,944,627
Garfield	4,894,566	4,524,977	2,524,480	1,356,804	2,816,669	2,517,959
Golden Valley	4,345,484	3,293,252	1,906,726	1,778,348	2,452,357	2,471,687
Musselshell	5,075,808	5,020,047	3,453,520	2,684,085	3,787,429	3,880,686
Petroleum	— ^a	3,252,856	1,675,519	827,398	1,812,028	1,608,009
Powder River	2,503,299	3,028,170	2,284,318	1,998,532	3,292,380	3,058,430
Rosebud	7,710,988	8,071,997	6,176,682	5,314,327	7,939,701	7,628,493
Sweet Grass	4,987,901	4,808,481	3,317,106	3,237,578	4,073,834	4,303,760
Treasure	2,161,023	2,112,091	1,618,286	1,238,451	1,725,330	1,717,017
Wheatland	6,778,366	5,682,370	3,624,634	3,142,204	4,131,257	4,181,875

^a Petroleum County organized in 1924.

SOURCE: State of Montana, Montana State Board of Equalization, First, Fourth, Seventh, Ninth, and Fourteenth Biennial Reports, 1924, 1930, 1936, 1940, and 1950.

TABLE LIII
AVERAGE MILL LEVIES FOR SCHOOL PURPOSES
IN AREA 3
1949-50

Area County	Average mill levy
Montana	43.84 mills
Area 3-a	
Big Horn	43.59
Carbon	40.77
Stillwater	38.36
Yellowstone	37.24
Area 3-b	
Carter	41.80
Custer	33.61
Garfield	32.96
Golden Valley	33.56
Musselshell	47.71
Petroleum	28.19
Powder River	33.51
Rosebud	40.28
Sweet Grass	39.32
Treasure	32.41
Wheatland	36.49

NOTE: The mill levies given do not include those for support of the university units.

SOURCE: Computed from data given in: State of Montana, Montana State Board of Equalization, Fourteenth Biennial Report, 1950, pp. 129, 131.

TABLE LIV
 PORTION OF THE PROPERTY TAX USED FOR
 PUBLIC SCHOOL PURPOSES IN AREA 3
 1949-50

Area County	Per cent of the property tax used for public school purposes
Montana	43.33%
Area 3-a	
Big Horn	39.99
Carbon	53.77
Stillwater	45.70
Yellowstone	36.60
Area 3-b	
Carter	43.80
Custer	34.07
Garfield	40.51
Golden Valley	40.86
Musselshell	40.56
Petroleum	44.72
Powder River	43.14
Rosebud	44.03
Sweet Grass	48.52
Treasure	41.89
Wheatland	47.04

NOTE: The percentages given do not include the taxes for the support of the university units.

SOURCE: Computed from data given in: State of Montana, Montana State Board of Equalization, Fourteenth Biennial Report, 1950, pp. 129, 131, 133.

average of 43.33 per cent in 1949-50. Carbon and Sweet Grass Counties allotted over 48 per cent of the property tax dollar for the support of their public schools while Custer County used only 34.07 per cent for this purpose.

Federal real estate. Table IV shows that federal real estate in most of the counties in area 3 is not of great importance. Area 3-a has 42.40 per cent of the land under federal ownership but equivalent taxation would increase property tax revenues only 7.40 per cent. In area 3-b, however, the equivalent taxation of the 21.53 per cent of the land under federal ownership would increase the property tax revenues 10.31 per cent. Big Horn and Custer Counties' property tax revenues would be increased over 20 per cent by such taxation.

Federal ownership of real estate, in all but six of the fifteen counties in area 3, is of little relative importance in-so-far as possible sources of tax revenues are concerned.

Summary. Area 3, with approximately 21 per cent of the total population and total public school enrollments in Montana, may expect a continuation of the past increasing urban and decreasing rural population trends with the total population showing a substantial gain. This area may expect an increase over 1950 of approximately 15 per cent in original enrollments by 1955 and an increase of 39 per cent by 1960.

TABLE LV
RELATIVE IMPORTANCE OF FEDERAL REAL ESTATE
HOLDINGS IN AREA 3
1948

Area County	Per cent of land federally owned	Ratio of federal valuation to total taxable valuation
Montana	36.58%	11.57%
Area 3	27.44	7.40
3-a	42.40	5.16
Big Horn	63.93	24.47
Carbon	41.83	3.84
Stillwater	17.34	1.66
Yellowstone	18.82	2.05
3-b	21.53	10.31
Carter	28.43	12.85
Custer	16.63	21.22
Garfield	26.97	17.58
Golden Valley	4.71	0.96
Musselshell	10.54	3.56
Petroleum	37.89	18.18
Powder River	28.23	11.41
Rosebud	18.08	6.04
Sweet Grass	24.51	8.69
Treasure	13.90	3.81
Wheatland	7.60	1.83

SOURCE: Committee on Tax Education and School Finance, Status and Fiscal Significance of Federal Lands in the Eleven Western States (Washington, D. C.: National Education Association of the United States, 1950), p. 66.

Area 3 has a relatively low percentage of federally owned real estate. Proportionate taxation of these federal lands would increase the property tax revenues approximately 8 per cent for the area. Only six of the fifteen counties would have more than a 10 per cent increase in property tax revenues by such taxation. These federal lands are of little significance in most of the counties in this area as far as tax revenues are concerned. Big Horn and Rosebud Counties contain the Cheyenne and Crow Indian Reservations and in 1947-48 educated 615 of the 2,161 Indian children in the State and received federal reimbursements of only \$26.60 per Indian child as compared to the average local cost per pupil of \$191.00 for that period.⁷

This area, with only 11.2 per cent of the total public school enrollment housed in satisfactory school plants, and expecting a 39 per cent increase in original enrollments by 1960, must make a considerable effort to better the school plant facilities.

The taxable valuation per pupil is quite high in area 3. Only Big Horn and Yellowstone Counties have valuations below the state-wide average of \$4,688 per pupil.

⁷ Supra., p. 42.

CHAPTER VI

STATE PROGRAMS OF ASSISTANCE FOR CAPITAL OUTLAY

State interest in school buildings has been increasing since the start of the present century. New York state passed legislation pertaining to school building construction in 1902 and in 1903 provided a full-time inspector of buildings. By 1910 thirteen state departments of education and nine state boards of health were exercising control over school buildings.¹ The scope of many of the early laws was exceedingly minimal, however, it was the development of these minimum standards for school housing by the states which helped to attract their attention to the problems of financing the school plant. By 1940 thirty-nine state departments were authorized to review plans and specifications for school buildings.²

Early, but limited, steps were taken providing specialized aid for school buildings by Alabama in 1901, Delaware in 1903, North Carolina in 1903, and Virginia in 1906.³

¹ Arvid J. Burke, "Development of State Responsibility for School and College Buildings," The American School and University, Eighteenth Annual Edition, 1946, p. 44.

² Federal Security Agency, Office of Education, State Provisions for Financing Public-School Capital Outlay Programs (Washington, D. C.: U. S. Government Printing Office, 1951), p. 22.

³ Ibid., p. 22.

Probably the most important factor bringing a considerable number of states into the field of state aid for capital outlay was the desire to stimulate consolidation of school districts.⁴

The post-war period, from 1945 to 1950, may be viewed as one in which state aid for capital outlay assumed significance.⁵ State aid for capital outlay before this period was extremely meager in most of the states having such programs. Alabama, in 1945, provided a separate fund of \$12,000,000 for capital outlay and debt service. Since then, nineteen states have initiated substantial aid programs for capital outlay.⁶ The Eighty-first Congress, Second Session, 1950, recognized the general school housing problem in the nation and authorized an appropriation of \$3,000,000 to "assist the several states to inventory existing school facilities, to survey the need for the construction of additional facilities in relation to the distribution of school population, to develop state plans for school programs, and to study the adequacy of state and local resources available to meet school facilities requirements. A second part of this act establishes the policy of the United States to bear the

⁴ Ibid., p. 23.

⁵ Ibid., p. 25.

⁶ Ibid., p. 25.

cost of constructing school facilities in areas where federal activities have overtaxed the existing school facilities.⁷

For the 1949-50 school year a total of nineteen state legislatures had established state aid programs for assisting school districts with the construction of school buildings. The following states have passed legislation providing for state aid for capital outlay programs.⁸

Alabama	Massachusetts	Pennsylvania
Arkansas	Mississippi	Tennessee
California	Missouri	Vermont
Connecticut	New York	Virginia
Delaware	North Carolina	Washington
Florida	Ohio	West Virginia
Maryland		

Minnesota, Oklahoma, and Rhode Island also provide some limited state assistance at times but have no definite state aid plans as do those listed above.⁹

A study and comparison of the various details of the state aid programs reveal varied requirements for participation and the varied intent of the legislatures in the establishment of these programs.¹⁰ The stated purposes of these funds differed widely, from school building and incentive funds to abandonment and central building aid funds.

⁷ Public Law No. 815, Eighty-First Congress, Second Session, September 23, 1950.

⁸ State provisions, op. cit., p. 30.

⁹ Ibid., pp. 103-104.

¹⁰ Ibid., pp. 30-103.

The purpose of the incentive and abandonment funds was to encourage consolidation of small schools by payments for each small school abandoned. Several of the funds are integral parts of the various foundation programs but most are special-purpose funds for capital outlay only. Most of the funds are derived from legislative appropriations while a few are financed by permanent funds and sale of state bonds.

Only four of the states have no specific requirements for the amount of local effort required for participation. Usually these requirements vary from a five mill levy maximum to 50 to 80 per cent of the cost in one state. Many of the provisions are so stated as to require the less able districts to make the greatest local effort. Two states, Alabama and Maryland, have standardized local effort by the application of equalizing formulas to the local assessed valuations. The funds received from these programs must be used in capital outlay expenditures or, in a few states, may be used for payments to reduce the amount of bonded indebtedness already incurred.

The majority of the state aid funds are provided as grants with no repayment provisions except in the case of revolving or continuing funds where the principal plus interest must be repaid.

The states of Maryland, New York, Pennsylvania, and Washington have at least part of their state aid programs

set up as permanent programs while most of the others are for from two to five years or are dependent upon annual or biennial appropriations of the various legislatures. The North Carolina legislature stated, in the establishment of the school plant construction, improvement, and repair fund, that the fund was established ". . . to settle a long standing debt owed by the state to the counties of the state." The introduction to the law indicates that, ". . . the settlement of this debt will . . . discharge the state of all future responsibility for school plant construction and repair." Most of the other states have made provisions for the renewal of their programs biennially by the indication of need to the various legislatures.

CHAPTER VII

CONCLUSIONS AND RECOMMENDATIONS

Chapter II showed the inequalities among the various counties in ability to support adequate educational programs in accordance with the needs of each county. The use of the economic areas made possible the comparison of school finance data in areas with similar economic, cultural, and physiographic features. Wide variances in school finance problems were found among the different areas. A few of the problems are state-wide, but many of the most urgent are localized in specific areas. As an illustration, many of the counties expecting the largest increases in enrollments and population had some of the most urgent needs for new or remodeled school plant facilities and at the same time also had some of the lowest assessed and taxable valuations per pupil. Most of these counties are in economic area 1-a.

The Minimum Foundation Program for Education in Montana has worked very well but many districts still must assess very high millage levies to meet the educational needs. Several other states have aided in the solution of this problem by establishing state aid programs for capital outlay purposes.

No single solution will solve all of the public school financing problems for Montana. The local districts and the

state and federal governments all will have to take action to adequately solve these problems.

The local districts must utilize, to the extent of their abilities, all of the public school financing resources at their disposal to provide adequate school plant facilities for their pupils. Where the local district cannot, by itself, provide these adequate educational facilities for the pupils within the districts the state must supply financial aid, both for instructional and capital outlay programs. The great variance in the assessment methods in use in the several counties at the present time indicates the need for some type of a uniform tax equalization program to help insure the expenditure of equal effort according to ability by each of the districts to qualify for aid from the state. Only by such a method can equitable distribution of state aid funds be made.

The federal ownership of large portions of the total land area in many sections of Montana has given rise to many financial problems for the counties in these areas. For the State of Montana as a whole, the equivalent taxation of these federal lands would increase the property tax revenues by 11.57 per cent. In certain counties this increase would be over 40 per cent. At the present time the private lands in each county must bear the property tax burden with only small contributions from the federal government in lieu of taxes

from the federal lands. This situation is quite prevalent throughout the eleven western states.

Proposed solutions to the general problems arising from federally owned lands in Montana are of three types: (1) Legislation prohibiting further acquisition of private property by the federal government; (2) Legislation providing for the liquidation of parts of the present federal domain by means of sale to private owners; (3) Legislation providing for more adequate payments in lieu of taxes.¹ The third proposal seems to provide the most satisfactory solution to the problems created by the federally owned lands but action should be taken on the first and second proposals in areas where such action would be suitable.

For the past several years Congress has been urged to revise the federal system of reimbursement in lieu of taxation for federal lands. If Congress enacts general legislation authorizing state and local taxation of federal real estate, Montana will have to amend its State Constitution before such authority could be exercised. Several of the eleven western states have already taken such action in anticipation of some action by Congress.

Local and state taxation of federal lands, or equal reimbursement by the federal government, would solve many of

¹ Article in the Montana Taxpayer, 6: 5; September, 1948.

the public school financial problems within the State. Such taxation or reimbursement would probably eliminate the need for special Congressional appropriations for the education of the Indian children and would increase the funds available to the school districts having federal Indian lands within their boundaries. Aside from providing a measure of relief from the problems of education of the Indian children, other areas having large federal holdings would benefit.

Another type of problem which exists in many school districts in the State results from sparsity of population --large areas with few pupils and high transportation costs. The State and counties each contribute funds to aid the district to meet the transportation costs. Schools with small enrollments must expend a larger dollar outlay per pupil than must schools with larger enrollments to provide equivalent educational facilities. A study using a pupil-sparsity factor such as that used by Cornell, McLure, Miller and Wechner² in Illinois might prove to be useful in formulating future programs of state aid.

Enrollment and population trends should be checked against the actual totals. If they prove to be valid, further projections can be made for the period after 1960. In view of

²Francis G. Cornell, William P. McLure, Van Miller, and Raymond E. Wechner, Financing Education in Efficient School Districts (University of Illinois: Bureau of Research and Service, College of Education, 1949), pp. 139-153.

these trends, further plans of action for the equalization of the financial burden of supporting free and adequate public schools for all children within the State must be made and be presented to the Montana Legislative Assembly and to the taxpayers.

Past enrollments, population, and financial data can be used to predict future problem areas in public school finance in the State. This study should suggest many similar studies in certain areas which would prove to be of great service to the public schools. If this type of study were to be carried out at the district or county level it should prove to be very useful to the school administrators of the area studied.

With the completion of the major portion of the First Phase of the school facilities survey early in 1952 plans and materials were made available by the State Department of Public Instruction to aid in the establishment of County Citizens Advisory Committees to help formulate a ten-year master plan of school facility needs for each county.³

³ School Facilities Survey, Your Local School Survey, (mimeographed report, State Department of Public Instruction, Helena, Montana: 1952).

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