

**T H E S I S**

**TRENDS OF PUBLIC SCHOOL INDEBTEDNESS  
IN COLORADO FROM 1928 TO 1933**

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FORT COLLINS, COLORADO

**Submitted by  
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**In partial fulfillment of the requirements  
for the Degree of Master of Science  
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## CHAPTER I

### INTRODUCTION

The public schools of the entire nation have been seriously affected both directly and indirectly by the changed economic conditions that have come about since 1928. In this period financial support for the schools has been drastically reduced. This reduction in revenue for public school purposes has caused some school districts to become involved in indebtedness. In other districts, in spite of decreased revenue, there has been a decrease in indebtedness. Definite evidence as to how much the indebtedness has changed and in what direction this change has occurred has been lacking. While scattered reports have given the trends of indebtedness for particular cities, no intensive study seems to have been made that would take in all the districts of even a single state.

There is an apparent need for definite information on the part of school men and the general public as to the total amount of district, county and state school indebtedness and the shifts in the type of indebtedness that have come in the six-year period covered by this study. This period, beginning with the school year 1927-1928, which preceded by one year the financial collapse of 1929, and ending with the school year 1932-1933, should be sufficiently long to determine the effects

of the depression upon school finances. With such information available a better understanding can be attained of the factors affecting the present day financial situation of the schools. The present study has been undertaken to determine such facts and such shifts in indebtedness for the state of Colorado.

The Problem.- The problem of the present study has been:

A. To determine for the period from 1928 to 1933:

1. The per capita school indebtedness of Colorado as compared with that of the nation as a whole and with that of the neighboring mountain states.
2. The school indebtedness in each Colorado county and the changes that have occurred in that indebtedness in the period from 1928 to 1933, inclusive.
3. The per capita revenue for school purposes in the individual counties and the changes that have occurred in this revenue for this same period.

B. To interpret the trends of the different items of school finance; and to discover what definite factors or group of factors have been responsible for the changes that

are shown in the study of these trends.

Method of Obtaining Data.- Data relating to state school income from taxation and total school indebtedness were obtained for the different states, including Colorado, from the official publications of the Bureau of Education, Department of the Interior, Washington, D.C. The purpose of such data was to determine the position of Colorado in comparison with the nation as a whole and with other Mountain states. The information gained in this way was general in nature as little attempt was made in the official publications to allocate types of indebtedness.

Detailed reports for the schools in Colorado are in the permanent files of the office of the State Superintendent of Public Instruction. Totals for counties and for the state as a whole have been officially compiled by the superintendent's office and are available in the Biennial reports. The original raw data, upon which the official reports are based, are the annual reports of the many school districts of the state. For the purposes of the present study the original raw data were desired rather than any mere compilation from them. These original data, as they were spread over a period of so many years, were not readily available for intensive study to the writer. Even had permission been granted to use the files in the office of the State Superintendent,

the time required to peruse them and to check and recheck the figures made such a procedure inadvisable.

An alternative source of school data, equally valid and thoroughly checked, was available to the writer for detailed study in an unorganized and untabulated form in the office of the tax agent of the Denver and Rio Grande Railroad. The reports in that office presented in the form of raw data all figures pertaining to county finances, in which school revenue and indebtedness were included among the rest of the county items. These facts for the school districts of the entire state had been gathered personally, and with the cooperation of county treasurers, by a trained investigator, and covered the six years of the present study. It is believed by the writer that the figures so gathered represent a close approach to the actual financial conditions of the schools and are free from ambiguity such as might result from the misinterpretation of questionnaires returned to the State Superintendent's office.

Permission to remove the source material from its files was granted by Mr. George Dodge. This permitted ample time for the examination of the records and the separation of desired data. Without such privileges the organization of the present thesis would have been impossible.

Compilation of Data.— All figures relating to registered school warrants, bonded school indebtedness,

and school revenue from direct taxation were selected from the original reports of the individual school districts. This was done for all six school years of the period studied. These items were placed upon a master sheet for each county. County totals were then compiled and from these a grand total for the state was prepared.

There are 2,033 school districts in the state of Colorado. A preliminary attempt was made to establish the trends in the individual school districts. This method indicated results that were excessively cumbersome to present and interpret. It was felt that a simpler and truer picture could be drawn using the county as the unit of discussion rather than through the use of the many individual districts. As a general rule the county represents, geographically, an area with closely similar financial and educational problems.

Analysis of Data.- The trends for the individual items of school bonded indebtedness, registered warrants and revenue for the six-year period, were developed graphically for the state as a whole. The changes that occurred in the depression years were easily recognizable. A comparative graphical study was also made for the individual counties for the school year 1927-1928 and for 1932-1933. This presented only the extreme years of the study and brought into sharp contrast the effects of the depression. The counties were then grouped into natural geographical divisions and

trends of indebtedness changes were studied in relation to possible factors affecting these divisions.

The long-time, major trends of school finance in Colorado would, of course, require data covering many years. Therefore, in order to determine how the trends found in the period covered by this thesis were established, a study was made of school finance for Colorado for the period 1918-1934.

## CHAPTER II

### COLORADO SCHOOL FINANCIAL CONDITIONS COMPARED WITH OTHER STATES

Before undertaking a detailed study of the financial conditions of the schools, a comparative study was made of the school finances of Colorado with reference to the nation as a whole, as well as to the neighboring mountain states. This was designed to furnish a background for the present study.

Per Capita Debt for Public Schools.— Colorado is ninth from the highest among the states of the union in per capita debt for public schools. The average debt for the public schools in the United States was \$25.42 for the school year 1931-1932 and Colorado's school debt for the same year was \$31.32. This made a school indebtedness for every person in Colorado that is \$5.90 greater than the average in the whole United States.<sup>1</sup>

This per capita debt of the public schools for the school year 1931-1932 for the different states is shown in Figure 1. This particular school year was chosen because the data for the year were the latest official data available in biennial reports for the years 1931 and

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<sup>1</sup> Statistics of State School Systems, 1931-1932. Page 82, Table 23, Columns 8, 9 and 10; Page 31, Table F, Columns 2 and 3. Bureau of Education, Department of the Interior, Washington, D.C. These complete tables will be found in Table A of the Appendix of this thesis.

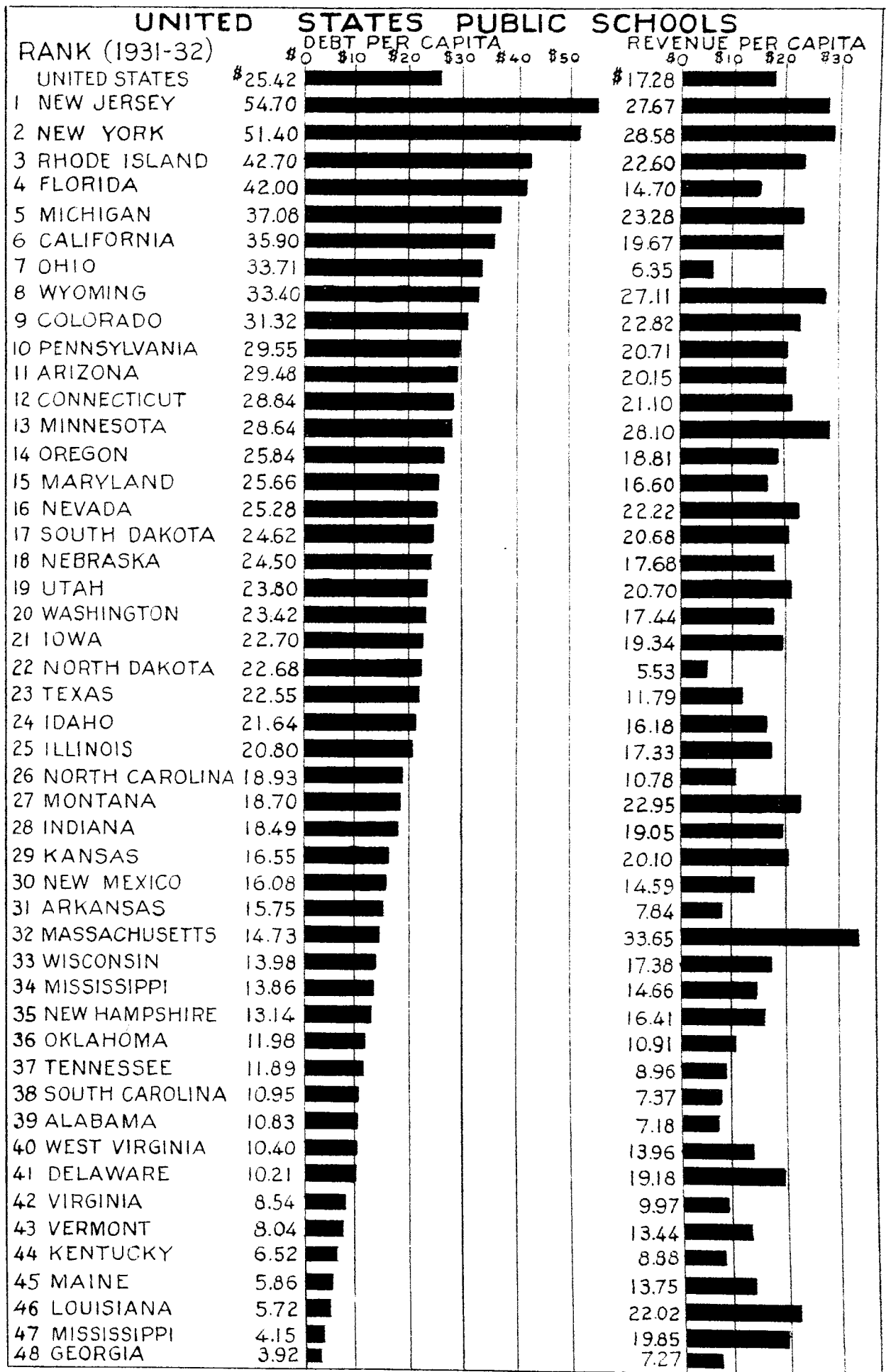


FIGURE I

1932 of the Bureau of Education, Department of the Interior. This figure shows that only eight states, including one other western mountain state, Wyoming, had a school debt that was higher than that of Colorado.

School Indebtedness in Colorado and Neighboring Mountain States.- There was a possibility that since the school costs in Colorado and Wyoming were markedly high, as compared to the majority of states, they were affected by factors peculiar to the mountain regions. Consequently, it was decided to compare Colorado indebtedness with that of its neighboring states because these states, due to their geographic characteristics, might be expected to have somewhat similar school problems. The states of Arizona, Colorado, Idaho, Montana, New Mexico, Utah and Wyoming were chosen and the data for these were obtained from the United States Bureau of Education, Department of the Interior Statistics, 1930 and 1932. It is apparent from Table I that Colorado is quite high in its school indebtedness per capita in comparison with its neighboring states. In this group of states, Arizona and Wyoming exceeded Colorado per capita in indebtedness in 1930. Wyoming, alone, exceeded Colorado in per capita indebtedness in 1932. It is also to be noted that Colorado did not change materially its amount of per capita school debt from the school year 1929-1930 to 1931-1932, actually lowering the debt by 28 cents per capita. The average for the group, however, dropped \$3.90 per capita. During the

Table I.- Comparison of Total and Per Capita School Debt and Revenue for the United States as a Whole and for Seven Western States, 1930 and 1932.<sup>1</sup>

	Total debt		Revenue col- lected in the year 1931-32	Per capita debt		Revenue 1932
	1930	1932		1930	1932	
United States	\$2,425,796,439	\$3,121,598,276	\$2,120,628,623	\$ 19.76	\$ 25.42	\$ 17.28
Arizona	13,844,350	12,853,150	8,799,935	31.75	29.48	20.15
Colorado	32,743,730	32,441,149	23,630,701	31.60	31.32	22.82
Idaho	10,367,233	9,642,822	7,200,035	23.30	21.64	16.18
Montana	10,951,037	10,042,900	12,348,884	20.40	18.70	22.95
New Mexico	7,269,876	6,790,400	6,164,049	17.20	16.08	14.59
Utah	12,780,257	12,092,488	10,500,435	26.20	23.80	20.70
Wyoming	7,242,773	7,543,737	6,137,304	32.05	33.40	27.11
Group, Total Average	\$ 105,199,256	\$ 91,412,716	\$ 74,781,343	\$ 29.20	\$ 25.30	\$ 20.70

<sup>1</sup>Statistics of State School Systems, 1931-32. U.S. Bureau of Education, Department of the Interior. Page 82, Table 23, Columns 8, 9 and 10; Page 31, Table F, Columns 2 and 3.

same period the average for the entire United States was increased by \$5.66. It is evident, therefore, that Colorado was able to keep its school debt from soaring out of control.

Public School Revenue.- A study of school revenue is also necessary along with the study of school indebtedness to make a more complete picture for the background of the present thesis. Figure 1 shows that Colorado differed little in rank of revenue per capita for school purposes from its rank of debt per capita. There are only seven states in the United States that had more revenue per capita for public school purposes than had Colorado. Colorado's per capita school revenue for the school year 1931-1932 was \$5.54 more than the average for the United States.

## CHAPTER III

## COLORADO SCHOOL INDEBTEDNESS BY COUNTIES, 1928-1933

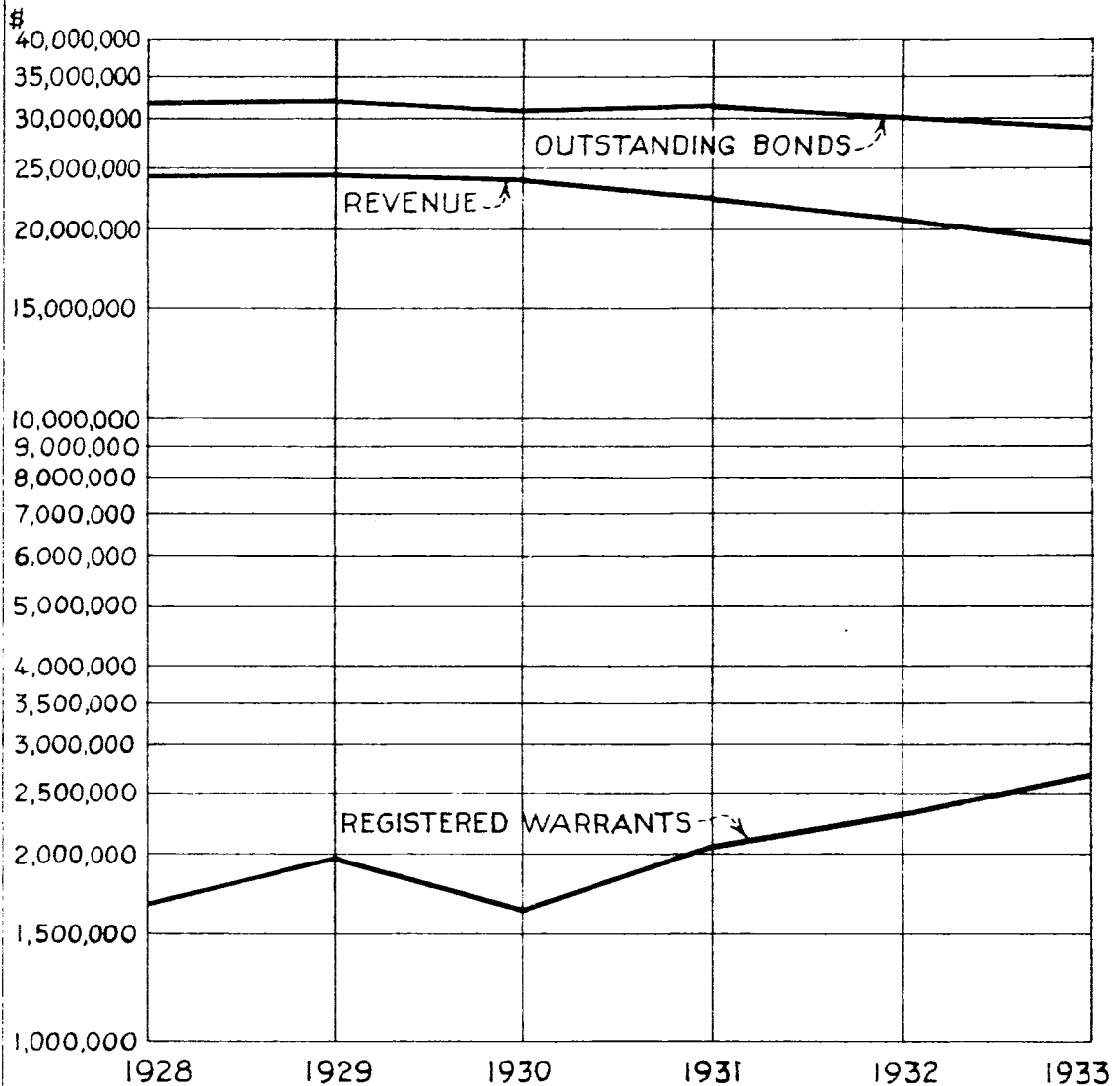
The present section presents data for school indebtedness in Colorado for the period from the school year of 1927-1928 to that of 1932-1933. The data as presented for counties have been prepared as a summation of the indebtedness of the 2,033 individual school districts that make up the counties.

As a background for the general situation the indebtedness for the state as a whole will be given first. This will be followed by a detailed study of school indebtedness for the individual counties of the state.

Along with the study of indebtedness of public schools in Colorado a reference will be made to the anticipated revenue for schools for the same period in order to determine what the schools have done to meet the situation.

Trend of Indebtedness and Revenue for the State.- The registered warrants increased from \$1,680,099 in 1928 to \$2,697,732 in 1933, an increase of about 60 percent. This is shown in the table of Figure 2. The graphical part of the chart shows the changes each year for these warrants and it can be seen that the trend is uniformly upward except for the one year, 1930. This increase in registered warrants was due in part, no

## TREND OF PUBLIC SCHOOL INDEBTEDNESS & REVENUE OF COLORADO 1928 TO 1933



YEAR	REGISTERED WARRANTS	OUTSTANDING BONDS	TOTAL REVENUE
1928	\$ 1,680,099	\$31,103,237	\$24,778,066
1929	1,976,472	31,179,537	24,037,843
1930	1,602,113	30,554,832	23,811,896
1931	2,039,973	30,839,512	22,182,563
1932	2,332,609	29,261,830	20,135,970
1933	2,697,732	28,483,307	18,582,563

FIGURE II

doubt, to the lowered revenue for schools. The revenue for these years was \$24,778,066 in 1928 and only \$18,582,563 in 1933. The trend in revenue for the six-year period was downward for the entire time, the downward trend being greatest after 1930. This is shown graphically in the upper part of the figure. The decrease in revenue for school purposes is apparently due to the lowered incomes of taxpayers.

The outstanding bonds, sold to finance public school expenditures, showed trends that were less definite during this period. The bonded indebtedness in 1928 was \$31,103,237. This increased slightly in 1929 to \$31,179,537. In 1930 the amount decreased to \$30,554,853. For some reason that is not evident an increase of approximately \$250,000 occurred in 1931. After that time the bonded indebtedness dropped steadily to \$28,483,307 in 1933. The total decrease of bonded indebtedness was about 9 percent for the 6-year period, or a decrease of about \$2,600,000. This fact is of importance because it indicates that the Colorado schools have been making an effort to decrease their permanent or long-time indebtedness. Another interpretation can be made of this decrease of bonded debt and that is that school boards have been so intent on paying off their bonded debt and not allowing the districts to default that they have allowed the current expenses, payable by warrants, to accumulate as



indebtedness and thus the registered warrants have increased.

As might be expected, the total debt consisting of registered warrants plus outstanding bonds, did not change a great deal during the period. The total indebtedness of 1928 was \$32,783,336 and that of 1933 was \$31,181,039; a reduction of \$1,602,297 or very nearly 5 percent. This almost static condition of the total debt indicates apparently that the schools have just been able to get along on the money received from the various sources. It is well recognized that the operating expenses were sharply curtailed during this period of greatly reduced incomes. The reduction of indebtedness, therefore, forced the curtailment of operating expenses even lower than would otherwise have been the case.

County School Indebtedness.- In the paragraphs above we have discussed the trends, year by year, for the state as a whole in regard to both indebtedness and revenue for public schools. In this section, we will investigate the smaller units of the states, the counties, in regard to total indebtedness.

In Figure 3 is shown the total indebtedness per capita for each of the 63 counties of Colorado. These are compiled from the detailed information of the 2,033 school districts of the state gathered into county groups. The raw data for Figure 3 are given in Table H. Since a year by year trend of the state as a whole was studied in a

# COLORADO PUBLIC SCHOOL INDEBTEDNESS 1928 & 1933

TOTAL DEBT PER CAPITA FOR 1928  TOTAL DEBT PER CAPITA FOR 1933 

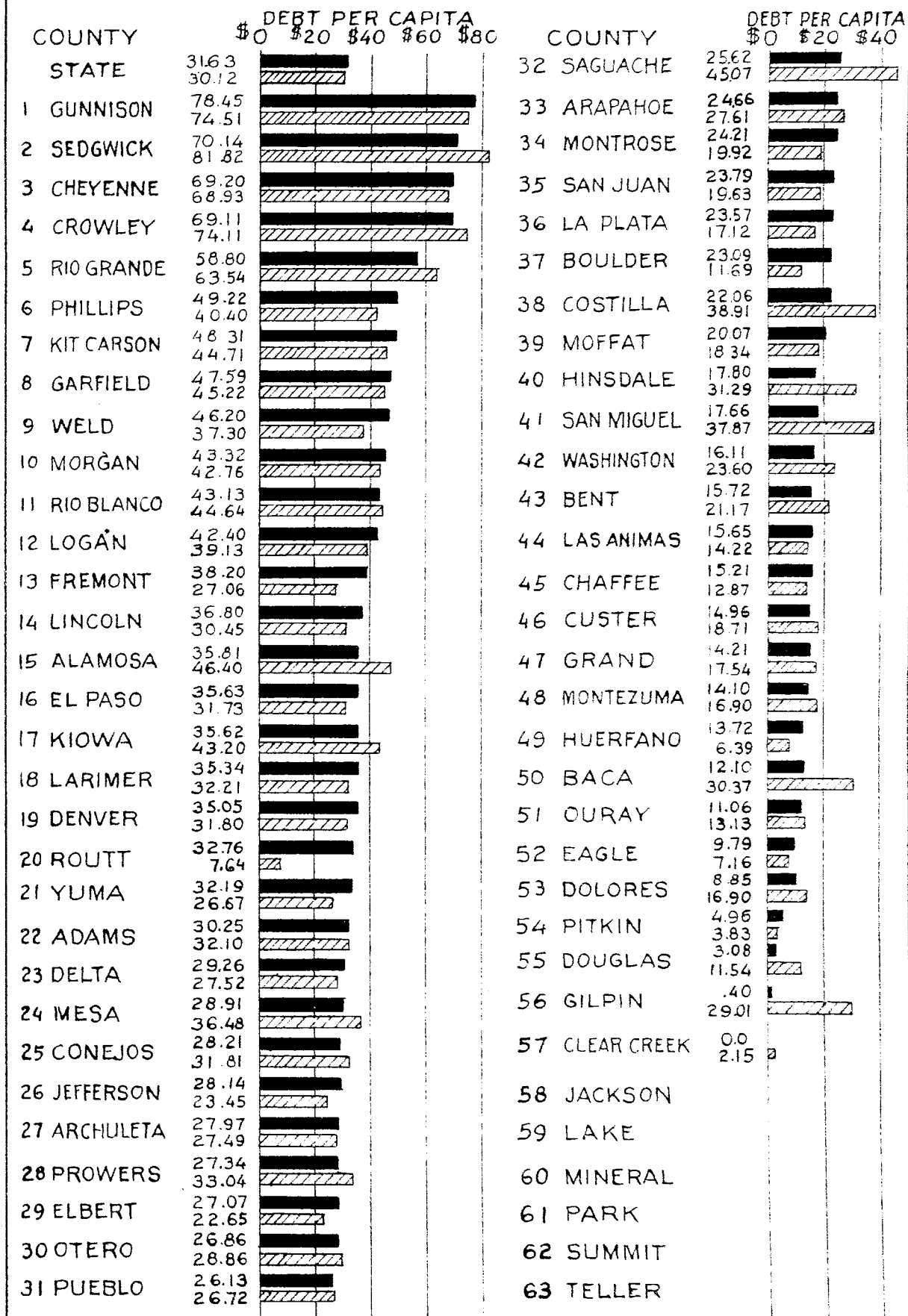


FIGURE III

previous section, it may be assumed that the counties within the state would vary in a similar way for those years. Therefore, only the two years, 1928 and 1933, the extreme ends of the period studied for the state, have been indicated on Figure 3. The counties are arranged in this figure according to the total debt per capita in 1928. This indebtedness for each is shown by the black, or upper, bar. In order to obtain the debt per capita the total indebtedness for each year was used and the per capita debt was then found, using as the basis of population the census of 1930. The bars on the chart show in general that the counties having a high per capita debt in 1928 had a high per capita debt in 1933, since the black bars and the shaded bars are noticeably similar in length. Almost half of the counties, twenty-seven, allowed their indebtedness to increase, however, as shown by the greater length of the shaded bar in each individual case.

Six counties, shown at the bottom of the figure, had no indebtedness during the whole period between 1928 and 1933. These were Jackson, Lake, Mineral, Park, Summit and Teller counties. They are all quite mountainous. All had very few school children and little need for expanding school facilities; consequently, they did not show the tendency to run their districts into debt for new school buildings and other expensive investments.

### School Indebtedness Compared to School

Revenue.- In order to compare school revenue to school indebtedness the percentage of indebtedness to revenue was determined. This comparison, as shown in Figure 4, brings out clearly the difference in financial condition of the schools between 1928 and 1933. The counties are arranged in order of percentage of indebtedness to revenue for 1928. As in the previous figure, each county has an upper bar representing the indebtedness of 1928 and a lower bar representing that of 1933. For 45 counties out of the total number of 63 the lower bar is the longer. This indicates that these 45 counties of Colorado increased their debt to revenue ratio in the period from 1928 to 1933. This can be interpreted as meaning that the indebtedness was not decreased in accordance with the lowered revenue. In fact, as shown in Chapter II, the indebtedness actually increased each year while the revenue decreased.

In the period from 1928 to 1933 the total indebtedness of the counties of the state of Colorado shows considerable change insofar as individual counties are concerned but for the state as a whole these changes tend to balance, and, as was shown in the preceding discussions, the total school debt remained almost the same throughout the period. However, in order to determine what the counties themselves did during this period, 1928 to 1933, Figure 5 was prepared. This figure shows that

# COLORADO PUBLIC SCHOOL INDEBTEDNESS 1928 AND 1933

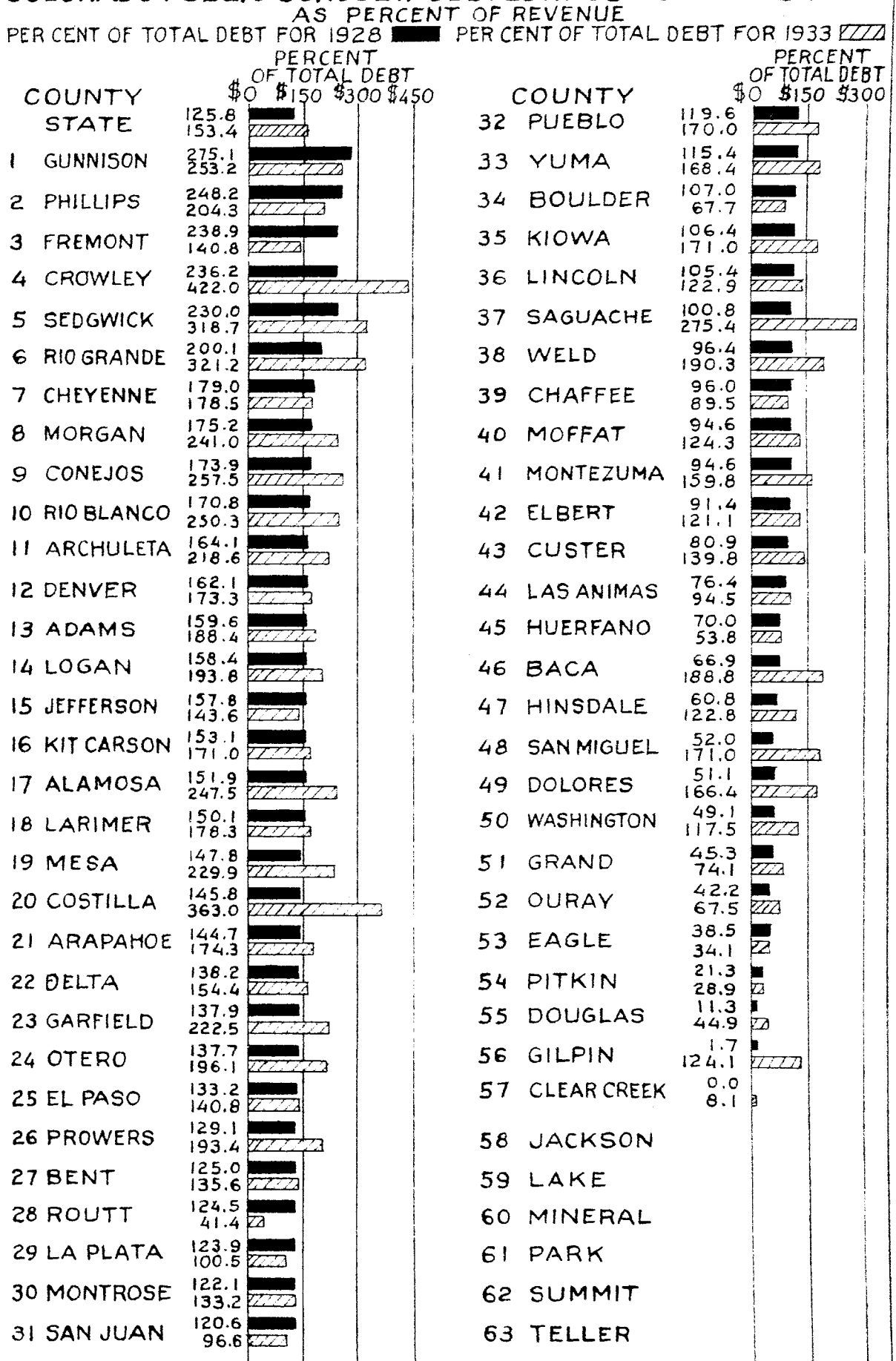


FIGURE IV

about half of the counties increased their school debt and the other half decreased their school debt. The state, as a whole, decreased its school indebtedness between 1928 and 1933 by 4.8 percent, which is not large. The counties with the rather extreme percentages, such as Douglas with a plus 276.5 percent and Gilpin with a plus 7120 percent, are not in debt to the extent that these percentages would seem to indicate because in 1928 they had very little, if any, indebtedness and therefore any increase, no matter how little, would show a high percentage of increase.

The revenue for each of the counties of Colorado is shown in Figure 6. The total revenue for the state for school purposes decreased considerably, 25 percent, for the period 1928 to 1933, and for most of the individual counties the revenue was markedly decreased. It may be noted that 58 counties out of the total of 65 counties in Colorado showed this decrease, and the amount of decrease ranged from practically zero for Cheyenne county to 59.2 percent for Weld county. This enormous decrease in revenue for Weld county indicates how difficult taxes were to collect and how much less income the people had with which to pay taxes in 1933 than in 1928. Yet, it is interesting to note that Weld county was one of the counties whose indebtedness also decreased. Figure 5 shows that Weld county decreased the school indebtedness

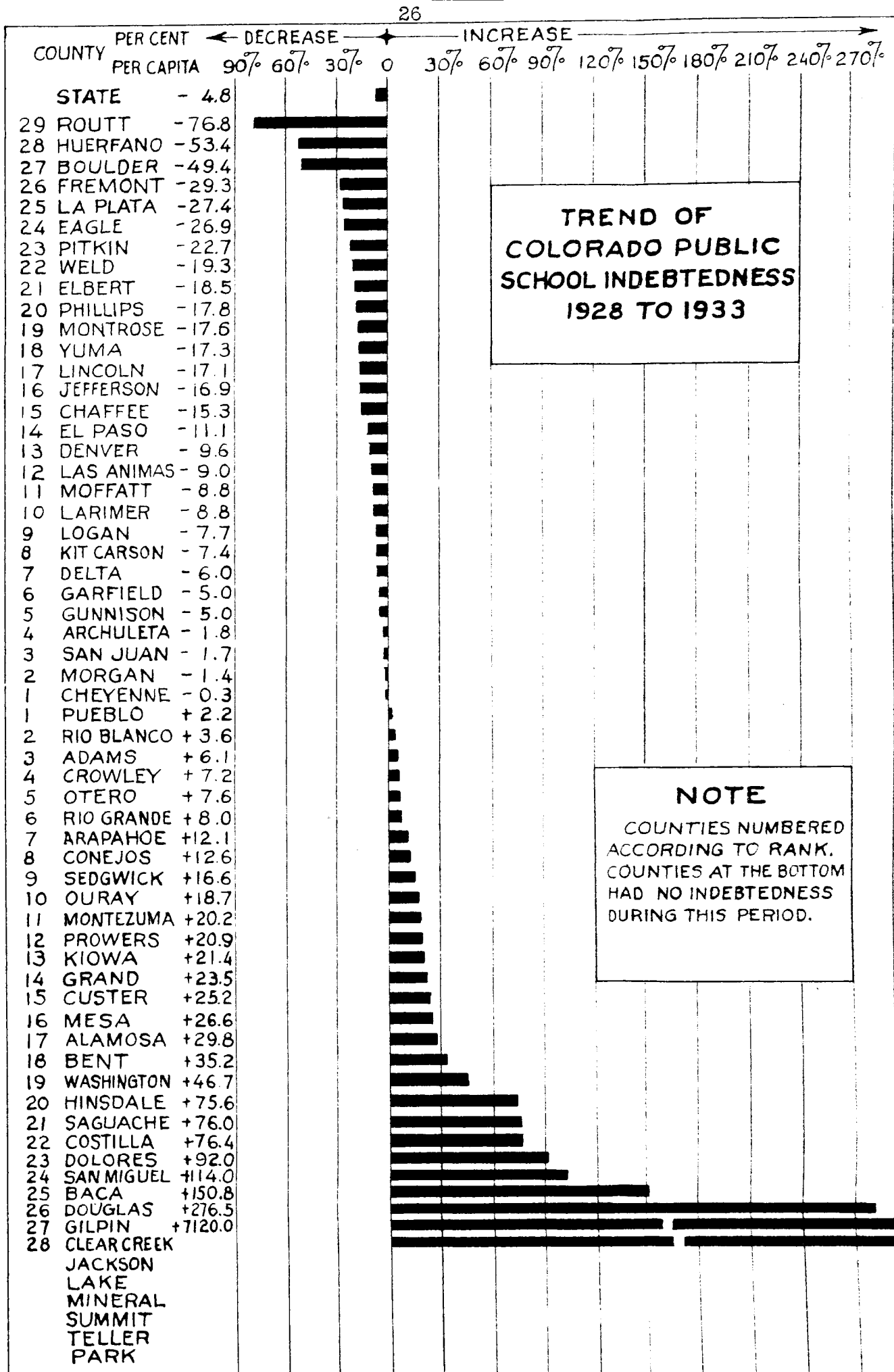


FIGURE V

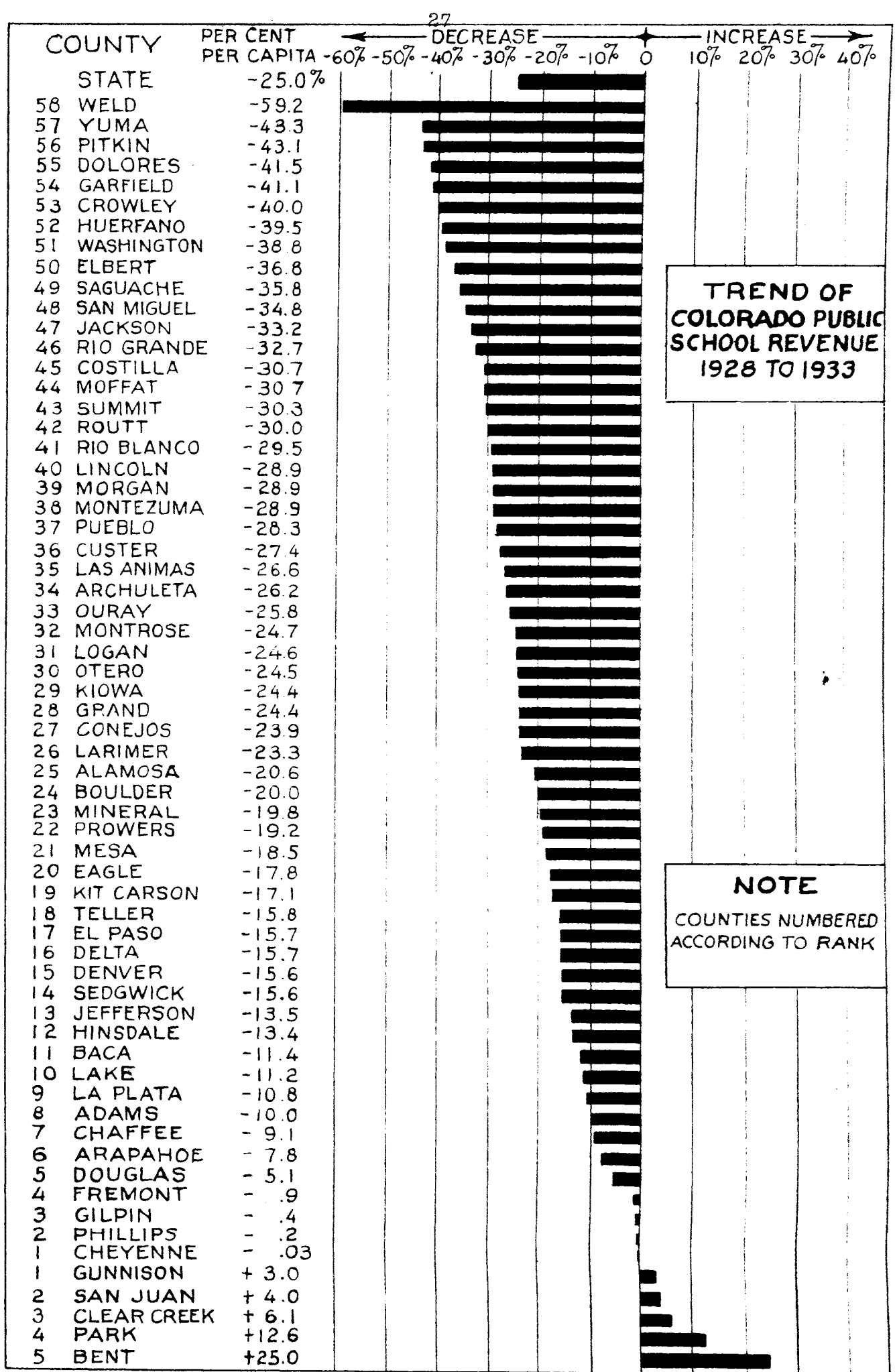


FIGURE VI

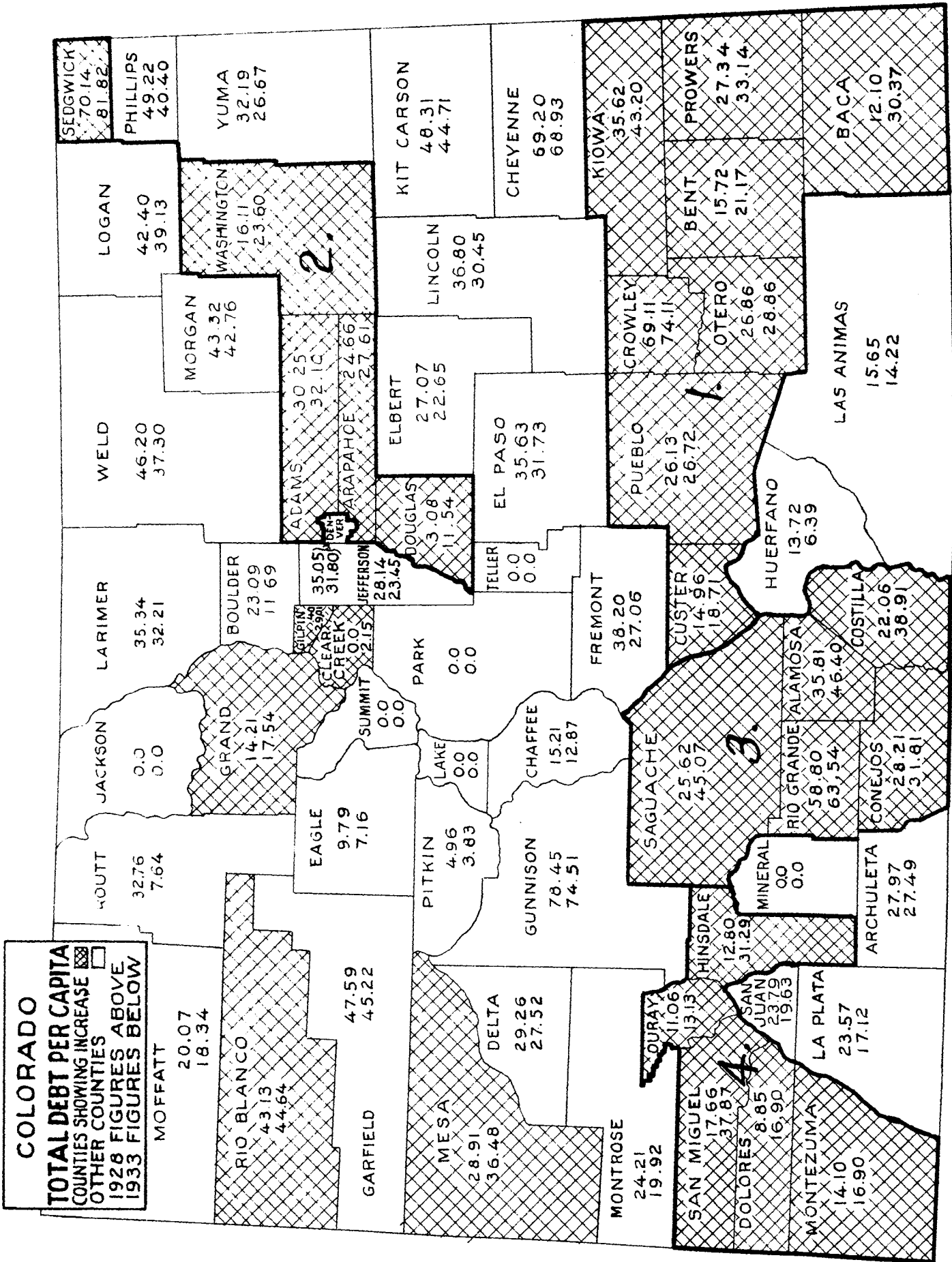
19.3 percent although, as previously noted, its revenue was decreased by 59.2 percent. There were five counties shown in Figure 6 whose revenue increased during the period. One of these, Bent county, was an irrigated farm district, and the other four were mining districts.

CHAPTER IV  
FACTORS AFFECTING THE TRENDS OF SCHOOL  
FINANCE OF COLORADO

The counties whose school debt per capita increased from 1928 to 1933 are shaded on Map 1 to make them more noticeable. It can be seen upon the map that the counties tend to group themselves into rather definite divisions. There are four distinct groups. In the upper left-hand section of the map five scattered counties constitute a fifth group which is less well defined.

These five groups include counties having such various types of agricultural and industrial activities as are found in Colorado. One or more of the counties so included practice dry farming to a limited extent and irrigated farming to a considerably greater degree; others engage in mining; still others are devoted to grazing and other ranch industries. Seemingly, then, the occupation of the taxpayers was not the major contributing factor although the geographic location as related to occupational income had some effect on the ability to pay taxes. In the following paragraphs a more detailed study of each group will be made.

Group I.- Arkansas Valley Group.- All of the counties in this group are close to the Arkansas river and include considerable irrigated areas except for two



MAP I

counties, Custer, a ranching county, and Baca, a dry land county badly affected by the recent drought.

Schools were built when farm prices were high, and at a time when the farmers could and did pay their taxes. When farm prices began to fall the taxes still remained high to handle the indebtedness incurred for school buildings and other capital outlay. The revenue in all but one of the counties in this group decreased. Bent county increased its revenue 25 percent (Figure 6) during the period 1928 to 1933. Decrease in revenue was to be expected from the lowered income and valuation; yet the indebtedness was allowed to increase in all of these counties.

Group 2.- South Platte Group.- This group contains the counties of Douglas, Arapahoe, Adams, Washington and Sedgwick. In location they follow the direction of the South Platte river, but, in general, lie to the east of the river, and, consequently, contain some irrigated but much more unirrigated land. Under normal rainfall this land is productive. All counties in the group were greatly affected by the change in price of farm produce and sharply reduced yields and the taxpayers found that they had high school taxes to pay with greatly reduced incomes with which to pay them.

All counties in this group increased their per capita indebtedness in this period from 1928 to 1933. Sedgwick county, second highest in debt per capita in

1928 for the entire state, had further increased its debt by 1933 to the highest per capita debt in the state, \$81.82 (Figure 3), a gain of about 17 percent. The other counties of the group had smaller per capita debts but in the case of Douglas county the percentage increase was 277 percent (Figure 5).

Group 3.- San Luis Valley Group.- This group includes all of the counties in the San Luis Valley: Saguache, Rio Grande, Alamosa, Conejos and Costilla. The San Luis Valley represents a geographical unit but not exactly an agricultural unit. Saguache county consists mostly of grazing land is rather sparsely settled. In this county the falling off of prices in the sheep market and cattle market caused a situation of sharply lowered income and a rapid rise of indebtedness, the gradual rise of which was already in progress before 1928. Rio Grande and Alamosa are irrigated farm communities and depend largely on a few crops, one of which is potatoes. If the price on potatoes is very low, as was the case during a part of the period, the income is sharply curtailed and the whole community suffers. Conejos and Costilla counties are largely devoted to grazing. These counties are quite thinly populated and the sharply lowered prices on stock were reflected in a rise in school per capita indebtedness.

Group 4.- The San Juan Mountain Group.- This is a mining group of counties consisting of Ouray, San

Miguel, Dolores, Hinsdale and Montezuma. The earlier indebtedness was low, as the prices of metals have been low since 1900 and the school population had been small and static for some time. Some rise in indebtedness occurred in the period after 1928 but the total has not been as great as the percentage changes would seem to indicate. With the increasing price of silver and gold these counties should be able to clear up old indebtedness and handle the new.

Group 5.- The Northwestern Group.- This last group consists of the scattered counties of Mesa, Rio Blanco, Grand, Gilpin and Clear Creek. The last three counties are in a mountainous section of the state and are mining communities, and the increase in total indebtedness has been slight. Rio Blanco is entirely a grazing section. Its indebtedness has increased but slightly, although the per capita debt was high even before 1928. Mesa county, although containing considerable irrigated land, has an indebtedness situation somewhat like that of Rio Blanco county.

Counties Reducing Indebtedness After 1928.- The counties in Colorado that did not show an increase of school debt per capita during this period are counties with either rather dense population such as those containing the relatively large towns of Denver, Colorado Springs, Boulder, Fort Collins and Greeley; or those at the other extreme with rather thinly populated areas.

The more densely populated counties did not suffer from lowered incomes as much as others because they did not depend on one occupation for increased income. A single exception to this is found in Pueblo county in which is located Pueblo, the second largest city of the state. This city, however, has but a single dominant industry, that of iron and steel manufacture, and this industry was almost closed down during depression years.

Trends Originating Before 1928.- The conditions in Colorado that were responsible for the high per capita indebtedness had their origin some years prior to 1928. Table II shows that the total school indebtedness for the state had rapidly risen from 1918 to 1928, changing in that period from a total of approximately \$7,500,000 to over \$34,000,000, an increase of over 400 percent. Figure 7 shows the changes in total school indebtedness in graphic form. It can be seen that this indebtedness advanced very rapidly from 1919 to 1928, increasing 100 percent in the 3-year period up to 1921 and continuing at the same rate up to 1928.

The receipts for school purposes followed until 1926, the same general upward trend as did the total indebtedness for school purposes. The receipts increased from approximately \$11,500,000 to \$30,000,000 between the years 1918 and 1926. After 1926 the receipts fell off rapidly because of the delinquency in taxes, thus cutting the revenue of the schools. The receipts started their



# TRENDS OF COLORADO SCHOOL FINANCES FROM 1918 TO 1934

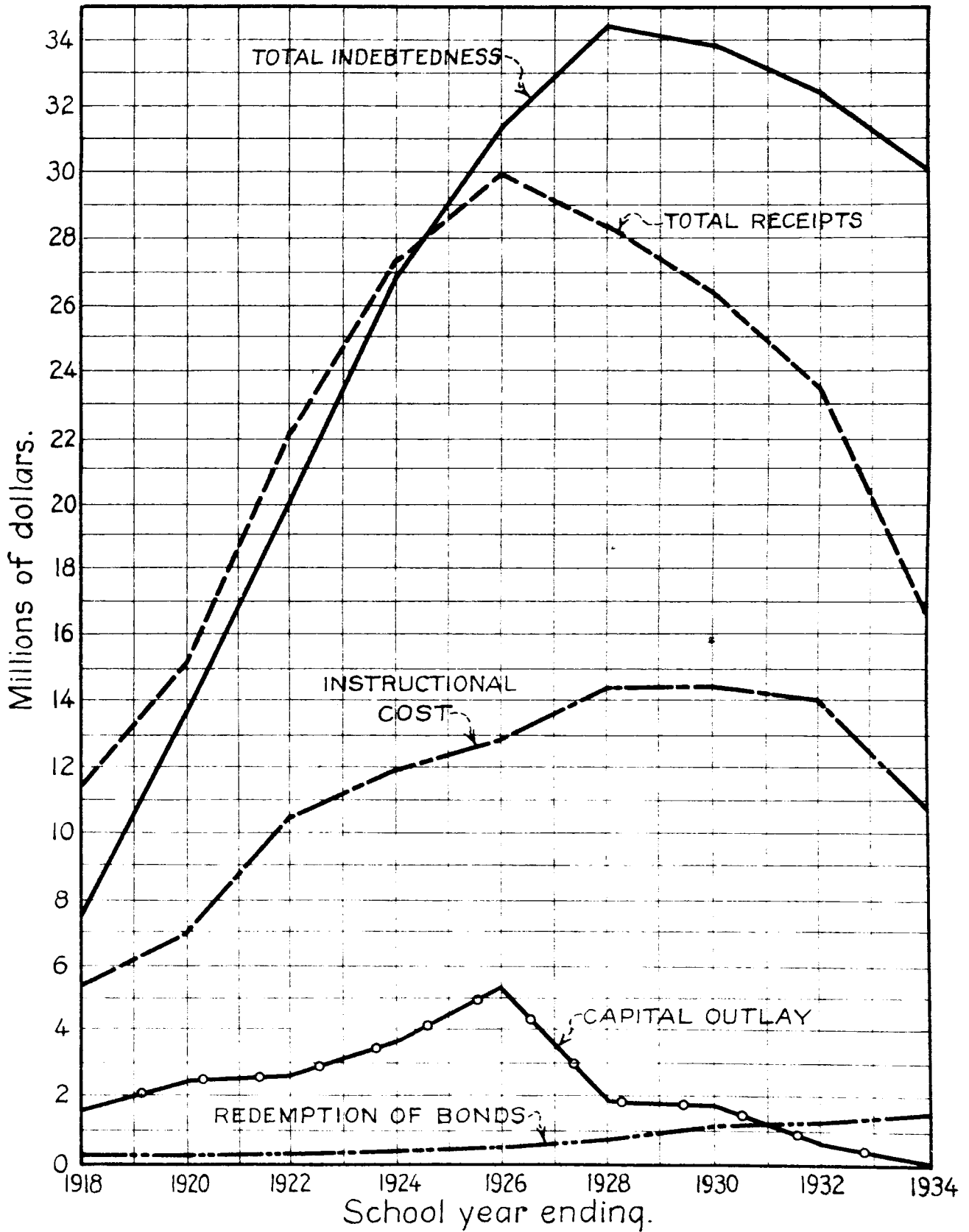


FIGURE VII

downward trend two years before the same trend of indebtedness began.

The receipts increased about 240 percent during almost the same period that the indebtedness was increased 400 percent, so apparently little successful effort was made to keep the indebtedness in line with the receipts. The fact that the increasing revenue was accompanied by an increase in indebtedness indicates either the use of poor business methods associated with an over optimistic outlook, or the presence of peculiar conditions such as would occur from depression conditions. The period following the war was one of great building activity that reached a national peak for school construction in 1925.<sup>1</sup> The financing of the construction of such buildings was not done by returns from current revenue but by bonded indebtedness. The excessiveness of the indebtedness that was finally reached is indicated by the fact that after 1924 the total indebtedness in Colorado was greater than the entire revenue of a school year. (Table II). This represents a case of mortgaging the future to pay for present demands.

The instruction costs, as shown in Table II, form the largest single item of school expenditure, practically 50 percent of the expenditures of public

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<sup>1</sup> Hamon, Ray L. "Financing The School Plant," School Board Journal, Vol. 91, p. 14. August, 1935.

schools being for teachers' salaries. The salaries increased between 1918 and 1930 from approximately \$5,500,000 to about \$14,500,000, but the increase, although fairly regular, was much slower than was the corresponding increase in receipts or indebtedness. Figure 7 shows in a graphic way the rates of increase that took place for the three items. After 1930 the instruction costs went down, dropping sharply after 1932 and by 1934 reaching the same level as that of 1922. This must not be interpreted to mean that the salary schedule of the teacher had reached the same level as that of 1922 as the figures show total expenditures for instruction, and the number of teachers in the state had increased in the 12-year period.

The capital outlay, as shown in Table II and Figure 7, represents money spent out of current revenue for permanent fixtures and improvements. The money so spent increased from approximately \$1,700,000 in 1918 to \$5,300,000 in 1926 and then decreased sharply to less than \$200,000 in 1934. The break in expenditures for capital outlay came with the break in total receipts. This one item of the several represented in Figure 7 was the only one that responded immediately to the drop in receipts that occurred in 1926. All the other items of expense continued with an upward trend at least until 1928 while the revenue with which to pay these expenses continued to fall rapidly. This failure of expenditure to keep step with the lowering income was, undoubtedly, responsible, at least in part,

for the mounting indebtedness that occurred between 1926 and 1928. The indebtedness due to registered warrants, as has been shown at an earlier point (Figure 2) increased by a million dollars from 1928 to 1933.

The bond redemption, shown in Figure 7 and Table II, increased slightly from year to year after 1918 with no marked change of trend at any particular period. Some long-term bonds were being paid off after 1926 but others were being refinanced.

The previous discussion of the trends that occurred after 1918 in total indebtedness, total receipts, instructional costs, capital outlay, and bond redemption were for the state of Colorado as a whole and not for individual districts or counties, save as such districts and counties were a part of the whole.

The break in receipts for county school purposes did not occur in all counties at the same time nor did the downward valuations for taxation purposes take effect at the same time. Both of these were affected by the type of agriculture or industry dominating the respective counties. As has already been explained in an earlier part of the present chapter, certain groups of counties have increased this debt per capita for school purposes in the period from 1928 to 1933, while other counties were decreasing their indebtedness. The more or less homogeneous nature of the geographical districts represented had been associated with the factors that produced

the increased indebtedness. Decreased crop production and lowered farm produce prices had sharply reduced the farm income even before the industrial depression had set in. All farm produce prices had not been affected equally nor had crop production been decreased in all agricultural districts to an equal degree yet all counties were affected by these factors of price and production.

Had the various counties-- and the state as a whole-- decreased indebtedness in times of mounting revenue, instead of increasing such indebtedness at the same rate that the revenue increased, the effects of the industrial depression could have been met by some temporary measures. Had the school adopted a pay-as-you-go plan at an earlier time, there would doubtless have been a greater curtailing of current expenses, but the saving in interest alone would have counterbalanced somewhat the needs of curtailment.

For those counties with a present high per capita indebtedness for schools the paying off of the debt presents great difficulties. To meet the present bonded debt and at the same time to set up a policy of pay-as-you-go presents almost insurmountable difficulties and would, in many cases, keep the school from meeting community needs along modern lines.

Suggestions leading to an improvement of the situation might include:

- (a) The refinancing of outstanding bonds at lower rates of interest and more convenient terms.
- (b) In the future, the adoption of pay-as-you-go plan during times of increased income.
- (c) The issuing of callable bonds that may be called in and retired during prosperous periods by increasing the tax rate.
- (d) It is entirely possible that state or federal aid may be required to reduce the total amount of school indebtedness to the point where the district can handle the situation without jeopardizing the future education of children.

## CHAPTER V

## SUMMARY

The findings of the present study as to school indebtedness and school revenue for Colorado as a whole and the individual counties may be summarized as follows:

In 1931-1932 the average school debt per capita was \$31.32. This was \$5.90 greater than the average debt per capita for the United States as a whole. Only eight states of the entire nation had a greater school indebtedness per capita.

Compared with other mountain states the school indebtedness of Colorado in that year was exceeded only by Wyoming. Colorado's indebtedness was not changed materially from 1930 to 1932, a reduction of 28 cents occurring, although the average per capita figures for the entire group of seven mountain states decreased in that period \$3.90. The average for the entire United States had increased \$5.66.

Colorado's indebtedness, due to registered warrants, increased from \$1,680,000 in 1928 to \$2,700,000 in 1933, an increase of nearly 60 percent. The increase in such warrants was due, in part, to the lowered revenue for schools. The revenue dropped from \$24,780,000 in 1928 to \$18,580,000 in 1933, a decrease of close to 25 percent. The trend in revenue for the 6-year period was downward for the entire time, being greatest after 1930.

The total bonded indebtedness remained almost stationary from \$31,100,000 in 1928 to \$30,500,000 in 1930; and then dropped to \$28,500,000 in 1933, the decrease amounting to about 9 percent from 1928 to 1933. The total indebtedness, consisting of bonded indebtedness and registered warrants, was decreased only 5 percent since the warrants had increased in amount in that period.

The operating expenses were sharply reduced, especially during the latter part of the period of greatly reduced income. The reduction of indebtedness, therefore, forced the curtailment of operating expense even lower than would otherwise have been the case.

Almost half of the counties of the state (27 of the 63) increased their indebtedness during this period; and even in those reducing indebtedness, two-thirds did not do so as greatly as the revenue was lowered.

While the state as a whole was reducing its school per capita indebtedness by nearly 5 percent from 1928 to 1933, the individual counties varied in this respect from a decreased indebtedness of 77 percent for Routt county to an increased indebtedness of over 200 percent for Douglas county.

The total revenue for the state for school purposes decreased in that period by 25 percent. The individual counties had decreased revenue that ranged from a 59 percent decrease in Weld county to a 25 percent

increase in Bent county, with 58 of the 63 counties showing a decrease.

Certain geographical groups of counties showed similar trends in the reduction or increase of school indebtedness per capita for the period from 1928 to 1933.

Eight counties along the Arkansas river increased their indebtedness during this period. Part of this was due to the greatly reduced farm income resulting from low prices and drought.

Five counties paralleling the South Platte river but lying to the east also showed an increase of indebtedness that reached in 1933 the high of \$81.82 per capita debt for school purposes in Sedgwick county. These counties with good soil but using dry-farming methods were affected by drought and low grain prices.

All of the five counties of the San Luis Valley increased their per capita indebtedness for the period by amounts that ranged from an increase of \$19.45 in Saguache county to \$3.60 in Conejos county. A great decrease in the price of specialized crops or of cattle and sheep was responsible for a markedly lowered income.

The San Juan Mountain group of five counties in southwestern Colorado increased indebtedness slightly in the 6-year period but the sparseness of population made the total debt not excessive. This was also true of two other mountain counties.

Three counties in northwestern Colorado in-

creased their school indebtedness somewhat during this period. All were sparsely settled and included much grazing territory.

The conditions in Colorado responsible for high per capita indebtedness had their origins several years previous to 1928. From 1918 to 1928 the total school debt had increased steadily and rapidly by an amount equal to 400 percent. The receipts for school purposes in Colorado had increased about 240 percent during almost the same period that the indebtedness was increasing 400 percent, the two increases closely paralleling until 1926. The receipts dropped off rapidly after 1926, reaching in 1933 nearly the same amount as in 1921. The indebtedness continued to increase to 1928 and then dropped slowly, reaching in 1933 the indebtedness of 1926.

The rise in instructional costs was much slower than that of either receipts or indebtedness. Total instructional costs rose gradually from 1918 to 1930, decreasing sharply after 1932, reaching by 1934 the level of 1922.

Since school population had increased in the dozen years from 1922 to 1934 the salary schedules of 1934 were much lower than in 1922.

Capital outlay for permanent fixtures and improvements rose from \$1,750,000 in 1918 to \$5,300,000 in 1926; it dropped abruptly to less than \$200,000 by 1934, following closely the break in receipts.

Bond redemption remained almost constant up to 1926 with a moderate increase after that year. Considering the total indebtedness the bond redemptions were small in amount.

The failure of school districts to follow a pay-as-you-go policy in the construction of school buildings was largely responsible for the indebtedness up to 1926. Suggestions leading to an improvement of the situation would include:

- (a) The refinancing of bonded indebtedness at lower rates of interest.
- (b) Following so far as possible, a pay-as-you-go policy in the future.
- (c) Issuing callable bonds to be called in during prosperous periods.
- (d) The almost insurmountable school indebtedness of certain districts may make advisable state or federal aid, if the education of children in such districts is not to be jeopardized.

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Table A.- School Bonds Outstanding and Other Forms of Indebtedness, 1931-1932.

State	School bonds outstanding and other forms of indebtedness, 1931-32		School revenue from taxation				Revenue per capita
	Total	Per capita	Total	State	County	Local	
Ala.	\$ 28,631,048	\$ 10.83	\$ 19,031,571	\$ 7,830,613	\$ 8,489,568	\$ 2,711,390	7.18
Ariz.	12,853,150	29.48	8,799,935	2,251,812	3,893,421	2,634,702	20.15
Ark.	29,231,371	15.75	14,372,939	2,459,760	651,401	11,261,778	7.84
Calif.	203,583,107	35.90	111,631,446	29,783,251	39,624,847	72,123,348	19.67
Colo.	32,441,149	31.32	23,630,701	693,635	5,324,346	17,602,220	22.82
Conn.	46,438,275	28.84	33,877,950	2,423,559	-	31,454,391	21.10
Del.	2,434,975	10.21	4,566,947	3,843,687	-	723,260	19.18
Fla.	61,638,491	42.00	21,593,265	6,331,495	7,950,666	7,211,104	14.70
Ga.	11,397,000	39.15	21,137,686	6,938,525	4,612,123	9,587,039	7.27*
Idaho	9,642,822	21.64	7,200,035	568,106	2,253,435	4,378,495	16.18
Ill.	158,926,218	20.80	132,124,934	7,256,267	-	125,868,717	17.33
Ind.	59,767,655	18.48	61,700,283	5,746,198	-	55,954,085	19.05
Iowa	55,615,181	22.70	47,787,000	801,156	1,574,565	45,411,239	19.34
Kan.	31,176,952	16.55	37,844,128	581,174	-	37,262,954	20.10
Ken.	17,002,668	6.52	23,203,216	6,293,571	6,869,410	10,040,335	8.88
La.	11,998,000	5.72	46,401,308	5,368,462	11,014,726	3,018,820	22.02*
Maine	4,672,000	5.86	10,958,076	3,183,286	-	7,774,790	13.75*
Md.	41,939,399	25.66	27,117,716	5,040,174	8,752,773	13,324,769	16.60
Mass.	60,909,000	14.33	143,039,503	6,742,703	-	75,616,801	33.65*
Mich.	179,069,919	37.08	112,658,079	24,085,956	-	88,574,123	23.28
Minn.	73,595,685	28.64	72,027,710	10,668,730	2,579,412	35,779,568	28.10
Miss.	8,330,753	4.15	19,806,569	5,978,290	4,166,789	9,761,490	19.85*
Mo.	50,362,009	13.86	53,257,444	3,673,906	1,776,222	47,807,426	14.66
Mont.	10,042,900	18.70	12,348,884	1,184,515	5,055,479	6,108,890	22.95

\*Cities only. \*Statistics made by writer, 1930. Bureau of Education, Dept. of Interior.

Table A.- Continued

State	School bonds outstanding and other forms of indebtedness, 1931-32			School revenue from taxation				Revenue per capita
	Total	Per capita	Total	State	County	Local		
Nebr.	\$ 33,776,228	24.50	24,372,639	\$ 1,212,241	181,375	\$ 22,979,023	17.68	
Nev.	2,299,358	25.28	2,023,924	637,602	1,363,201	623,121	22.22	
N.H.	6,106,096	13.14	7,563,246	324,799	-	7,238,447	16.41*	
N.J.	221,157,472	54.70	111,774,058	20,344,136	955,361	91,474,561	27.67	
N.Mex.	6,790,400	16.08	6,164,049	1,228,868	4,145,927	1,791,254	14.59	
N.Y.	645,381,591	51.40	359,870,544	103,693,376	-	256,187,168	28.58	
N.C.	60,000,000	18.93	34,159,071	16,956,517	7,469,389	9,733,155	10.78	
N.D.	15,429,883	22.68	3,767,291	1,701,260	841,506	10,654,525	5.53	
Ohio	224,006,631	33.71	42,142,493	5,721,781	27,752,277	8,668,435	6.35	
Okla.	28,700,000	11.98	26,176,545	2,361,200	1,401,642	21,913,703	10.91*	
Ore.	24,632,758	25.84	17,919,214	429,768	2,041,203	15,448,243	18.81	
Pa.	284,700,589	29.55	199,316,484	32,946,798	-	166,369,686	20.71	
R.I.	29,358,967	42.70	15,657,364	1,324,012	-	14,333,352	22.80	
S.C.	19,046,260	10.95	12,815,030	3,817,169	1,100,753	8,897,108	7.37	
S.D.	17,070,469	24.62	14,310,962	1,678,020	-	12,632,942	20.68	
Tenn.	31,092,126	11.89	23,432,349	5,469,241	11,907,805	6,055,303	8.96	
Texas	131,353,449	22.55	68,598,471	28,067,742	1,721,024	49,809,705	11.79	
Utah	12,092,458	23.80	10,500,435	3,372,755	-	7,127,680	20.70	
Ver.	2,899,481	8.04	4,845,630	609,180	-	4,236,450	13.44	
Va.	20,694,000	8.54	24,167,777	7,077,837	8,703,159	8,386,781	9.97*	
Wash.	36,651,009	23.42	27,270,798	7,017,572	3,492,876	16,760,350	17.44	
W.Va.	18,000,000	10.40	24,118,618	1,583,542	-	22,535,076	13.96	
Wis.	41,055,587	13.98	51,039,205	7,225,531	8,200,785	35,612,889	17.38	
Wyo.	7,543,737	33.40	6,137,304	1,404,526	1,067,445	3,665,533	27.11	
U.S.	3,121,538,276	25.42	2,120,628,623	410,564,982	196,935,410	1,613,130,231	17.28	

\*Cities only. #Statistics made by writer, 1930. Bureau of Education, Dept. of Interior.

Table B.- Total Outstanding School Bonds in Colorado January 1, 1928, to 1933.

(Data compiled by writer from files of tax agent, Denver & Rio Grande Railroad and office of State Superintendent of Public Instruction)

County	Year					
	1928	1929	1930	1931	1932	1933
Adams	\$ 593,300	\$ 579,700	\$ 554,800	\$ 621,500	\$ 602,200	\$ 581,500
Alamosa	305,337	275,837	273,337	309,837	309,337	319,337
Arapahoe	508,300	518,700	527,500	596,600	584,100	567,400
Archuleta	89,700	89,700	89,600	89,500	87,900	87,200
Baca	105,750	113,150	172,650	219,750	262,150	248,550
Bent	136,500	132,900	127,600	157,000	152,300	148,700
Boulder	703,100	619,000	569,100	506,300	428,500	320,800
Chaffee	123,500	121,000	112,000	108,500	107,750	102,500
Cheyenne	257,500	257,000	256,500	256,000	249,500	242,000
Clear Cr.	-	-	-	-	1,000	1,000
Conejos	232,728	228,228	214,728	239,228	215,028	209,728
Costilla	101,800	101,300	108,800	149,800	148,800	145,800
Crowley	400,000	392,000	400,000	392,500	406,500	406,000
Custer	23,000	8,500	29,500	29,500	27,950	26,000
Delta	380,750	342,350	318,500	301,500	316,500	297,500
Denver	10,115,000	10,002,000	9,788,500	9,574,500	9,359,500	9,144,000
Dolores	12,500	19,000	19,000	19,000	19,000	15,000
Douglas	-	-	3,500	31,500	31,500	28,500
Eagle	32,300	32,300	29,500	29,500	27,500	24,500
Elbert	141,300	138,300	126,800	137,800	117,800	111,300
El Paso	1,686,500	1,652,500	1,632,500	1,621,500	1,597,000	1,456,000
Fremont	533,700	530,200	501,200	487,400	144,300	442,400
Garfield	450,370	443,070	432,770	460,600	443,900	418,800



Table B.- Continued

County	Year					
	1928	1929	1930	1931	1932	1933
Prowers	394,400	\$ 504,100	\$ 488,800	\$ 471,800	\$ 458,700	\$ 438,100
Pueblo	1,673,400	1,625,800	1,595,300	1,868,700	1,793,700	1,716,600
Rio Blanco	122,400	122,100	122,000	121,300	119,900	119,400
Rio Grande	543,865	671,865	713,445	658,645	624,145	583,145
Routt	268,000	253,500	248,500	230,600	215,100	235,000
Saguache	155,000	155,000	211,000	211,000	211,000	211,000
San Juan	46,000	44,000	42,000	40,000	40,000	38,000
San Miguel	38,300	35,300	35,300	47,800	47,300	45,000
Sedgwick	382,000	471,000	468,000	486,200	453,600	448,500
Summit	-	-	-	-	-	-
Teller	-	-	-	-	-	-
Washington	152,300	147,800	146,800	145,800	144,300	195,300
Weld	2,798,800	2,719,900	2,655,000	2,879,300	2,443,100	2,316,500
Yuma	438,863	424,963	402,328	366,728	341,296	329,497
Total state	\$31,103,237	\$31,179,537	\$30,554,832	\$ 30,839,512	\$29,261,830	\$28,483,307

Table C.- Total Registered Warrants for Colorado Schools January 1, 1928, to 1933.

(Data compiled by writer from files of tax agent, Denver &amp; Rio Grande Railroad and office of State Superintendent of Public Instruction)

County	Year					
	1928	1929	1930	1931	1932	1933
Adams	\$ 19,182	\$ 21,763	\$ 11,655	\$ 38,591	\$ 43,213	\$ 68,510
Alamosa	2,672	7,916	3,993	9,404	53,932	80,557
Arapahoe	49,463	56,473	36,646	42,557	59,405	57,922
Archuleta	-	-	95	849	658	890
Baca	22,198	22,358	32,477	84,861	56,250	72,362
Bent	6,752	7,634	5,271	23,728	27,353	44,749
Boulder	46,852	49,490	48,966	52,592	60,951	58,927
Chaffee	-	637	1,430	3,014	7,220	7,086
Cheyenne	10	386	-	3,111	12,514	14,645
Clear Creek	-	-	-	-	-	3,644
Conejos	44,238	54,937	62,534	96,070	85,303	102,156
Costilla	26,036	22,388	28,774	51,981	86,326	79,064
Crowley	10,100	4,168	1,152	3,822	20,683	33,767
Custer	8,823	6,962	8,462	11,787	14,026	13,839
Delta	34,910	27,650	47,619	92,904	107,323	93,402
Denver	-	-	-	45,200	-	-
Dolores	-	1,260	3,705	6,260	6,603	8,871
Douglas	10,726	9,626	4,522	10,015	13,318	11,882
Eagle	6,153	7,168	5,055	6,628	6,316	3,610
Elbert	36,693	45,941	36,354	44,337	35,785	37,764
El Paso	80,728	68,458	80,675	54,434	114,633	115,513
Fremont	189,138	187,610	214,367	112,418	91,643	69,103
Garfield	24,341	15,979	25,838	28,997	24,495	32,358

Table C.- Continued

County	Year					
	1928	1929	1930	1931	1932	1933
Gilpin	\$ 487	\$ 599	\$ 859	\$ 24,880	\$ 22,817	\$ 35,162
Grand	4,460	3,035	854	1,129	222	5,486
Cunnington	31,564	32,391	30,982	58,507	46,911	42,859
Hinsdale	7,996	8,518	9,708	8,473	11,690	14,051
Huerfano	19,531	23,358	6,708	25,451	24,167	12,973
Jackson	-	-	-	-	-	-
Jefferson	53,212	26,367	37,856	33,504	31,365	36,075
Kiowa	8,764	10,688	5,398	17,125	13,926	9,587
Lake	-	-	-	-	-	-
La Plata	48,883	37,258	25,646	44,211	43,661	19,595
Larimer	50,309	47,764	43,673	47,792	66,928	128,172
Las Animas	126,855	121,624	127,091	130,743	107,508	141,974
Lincoln	14,137	5,348	3,278	3,782	7,554	13,283
Logan	107,762	192,657	138,536	164,643	146,830	182,886
Mesa	21,554	89,819	88,750	138,401	173,285	201,866
Mineral	-	-	-	-	-	-
Moffat	12,451	15,164	14,186	11,852	28,450	17,382
Montezuma	-	-	3,247	18,792	25,394	27,621
Montrose	24,707	28,334	15,528	39,593	50,797	42,765
Morgan	9,419	28,729	9,138	32,504	45,701	50,859
Otero	12,683	27,630	5,945	36,396	70,903	106,064
Ouray	3,835	5,749	3,744	1,936	2,224	2,125
Park	-	-	-	-	-	-
Phillips	3,588	7,113	3,919	2,501	3,339	4,339
Pitkin	8,784	8,297	6,576	5,497	8,632	6,788

Table C.- Continued

County	Year					
	1928	1929	1930	1931	1932	1933
Prowers	\$ 9,108	\$ 4,587	\$ 303	\$ 385	\$ 39,491	\$ 49,740
Pueblo	55,072	66,982	63,927	56,967	71,316	48,450
Rio Blanco	6,052	10,811	8,421	9,528	10,558	13,649
Rio Grande	41,722	58,101	24,461	13,212	24,220	49,306
Routt	38,827	44,766	33,109	30,563	48,584	48,012
Saguache	5,134	3,613	18,880	15,007	32,100	70,742
San Juan	-	-	-	-	-	-
San Miguel	343	6,791	34,189	26,213	25,494	37,710
Sedgwick	9,466	9,437	3,332	149	12,813	8,076
Summit	-	-	-	-	-	-
Teller	-	-	-	-	-	-
Washington	2,031	29,759	17,567	31,016	26,099	31,089
Weld	212,201	281,043	72,919	103,515	102,007	111,707
Yuma	-	-	-	-	21,141	34,642
Total state	\$ 1,680,099	\$ 1,976,472	\$ 1,602,113	\$ 2,039,973	\$ 2,332,609	\$ 2,697,732

Table D.- Total Population of Colorado Counties-- 1930 Census.

County	Population	County	Population	County	Population
Adams	20,245	Huerfano	17,062	San Juan	1,935
Alamogosa	8,602	Jackson	1,386	San Miguel	2,184
Arapahoe	22,647	Jefferson	21,810	Sedgwick	5,580
Archuleta	3,204	Kiowa	3,786	Summit	987
Baca	10,570	Kit Carson	9,725	Teller	4,141
Bent	9,134	Lake	4,899	Washington	9,591
Boulder	32,456	La Plata	12,975	Weld	65,097
Chaffee	8,126	Larimer	33,137	Yuma	13,613
Cheyenne	3,723	Las Animas	36,008		
Clear Creek	2,155	Lincoln	7,850	Total state	1,035,791
Conejos	9,803	Logan	19,946		
Costilla	5,779	Mesa	25,908		
Crowley	5,934	Mineral	640		
Custer	2,124	Moffat	4,861		
Delta	14,204	Montezuma	7,793		
Denver	287,861	Montrose	11,742		
Dolores	1,412	Morgan	18,284		
Douglas	3,498	Otero	24,390		
Eagle	3,924	Ouray	1,784		
Elbert	6,580	Park	2,052		
El Paso	49,570	Phillips	5,797		
Fremont	18,896	Pitkin	1,770		
Garfield	9,975	Prowers	14,762		
Gilpin	1,212	Pueblo	66,038		
Grand	2,108	Rio Blanco	2,980		
Gunnison	5,527	Rio Grande	9,953		
Hinsdale	449	Routt	9,352		





Table W.- Continued

County	Year				
	1928	1929	1930	1931	1932
Prowers	\$ 21,196,415	\$ 21,788,035	\$ 22,012,235	\$ 19,351,560	\$ 17,719,280
Pueblo	80,226,460	81,450,092	82,824,553	76,873,402	70,097,198
Rio Blanco	6,228,135	5,958,175	5,793,850	4,810,185	4,395,160
Rio Grande	10,983,816	10,941,990	10,893,956	9,416,732	8,700,973
Routt	15,540,070	15,907,960	16,839,880	15,390,730	13,067,170
Saguache	11,451,975	11,477,884	10,584,427	8,934,239	7,859,952
San Juan	3,375,653	3,440,058	3,796,488	3,495,917	3,247,994
San Miguel	6,024,970	5,439,315	4,638,715	4,032,295	3,438,010
Sedgwick	13,223,420	13,277,690	12,968,138	11,240,890	9,765,180
Summit	4,544,918	4,639,146	4,481,396	4,318,657	3,601,499
Teller	5,336,070	5,674,560	5,002,390	4,454,330	3,902,050
Washington	19,116,665	17,245,073	15,921,474	13,423,996	12,274,361
Weld	104,315,670	105,202,720	102,176,120	90,347,020	76,300,330
Yuma	24,864,750	25,058,795	24,607,070	20,672,940	15,411,320
Total state	\$1,600,007,666				\$1,101,528,398

Table F.- Total Revenue for Schools in Colorado January 1, 1928, to 1933.

(Data compiled by writer from files of tax agent, Denver & Rio Grande Railroad and office of State Superintendent of Public Instruction)

County	Year					
	1928	1929	1930	1931	1932	1933
Adams	383,273	391,152	416,185	396,110	370,329	344,888
Alamosa	202,905	211,941	203,115	181,224	183,263	161,339
Arapahoe	385,567	417,714	433,893	412,357	376,298	358,671
Archuleta	54,622	55,831	50,876	46,082	39,744	40,285
Baca	191,592	212,630	240,296	194,994	174,864	169,817
Bent	114,229	116,360	118,284	102,197	151,768	142,640
Boulder	700,216	704,348	704,695	674,455	619,576	560,895
Chaffee	128,680	128,887	134,561	134,424	123,825	116,840
Cheyenne	143,864	152,786	152,209	161,380	165,667	143,889
Clear Creek	53,430	53,599	56,924	61,032	57,695	56,670
Conejos	159,234	164,651	163,985	140,953	130,768	121,075
Costilla	87,684	102,271	106,186	105,767	64,372	61,937
Crowley	173,551	174,617	144,098	134,926	111,044	104,136
Custer	39,366	39,451	39,726	37,000	34,638	28,544
Delta	300,583	307,165	286,602	268,582	251,803	253,118
Denver	6,249,800	6,324,407	6,409,859	6,037,160	5,512,136	5,271,794
Dolores	24,429	24,387	26,050	20,594	17,628	14,344
Douglas	94,770	98,279	103,984	103,365	94,807	89,841
Eagle	100,121	96,310	108,623	97,446	68,167	82,361
Elbert	194,712	213,388	207,352	174,290	141,892	123,067
El Paso	1,322,918	1,346,138	1,302,381	1,285,867	1,156,765	1,115,293
Fremont	302,668	407,236	411,474	378,475	348,161	299,731
Garfield	344,152	354,867	297,136	251,127	265,595	202,752

Table F.- Continued

County	Year					
	1928	1929	1930	1931	1932	1933
Gilpin	\$ 28,451	\$ 30,101	\$ 32,890	\$ 28,783	\$ 26,316	\$ 28,326
Grand	66,131	56,302	48,465	48,747	50,230	49,909
Gunnison	157,607	169,041	150,194	164,025	146,006	162,630
Hinsdale	13,164	13,398	15,850	13,530	11,686	11,440
Huerfano	334,833	314,350	295,993	261,308	222,233	202,496
Jackson	22,998	24,750	25,799	20,535	18,554	15,376
Jefferson	389,857	417,785	432,826	410,524	395,252	355,965
Kiowa	126,632	151,502	148,280	153,212	126,099	95,632
Kit Carson	306,689	309,216	309,720	298,426	282,644	254,255
Lake	104,871	106,149	102,794	103,433	95,422	92,980
La Plata	247,311	274,216	276,019	253,916	236,441	220,885
Larimer	779,838	748,789	718,906	673,177	627,379	598,692
Las Animas	737,691	761,913	769,750	646,173	621,078	542,677
Lincoln	273,308	282,828	283,838	258,799	221,391	194,448
Logan	534,429	563,228	568,580	515,365	459,833	402,721
Mesa	505,826	536,503	552,363	512,685	459,436	412,082
Mineral	9,477	10,618	10,837	9,999	8,235	7,600
Moffat	103,110	105,319	106,574	93,536	85,467	71,734
Montezuma	115,993	120,585	114,166	97,161	95,204	82,454
Montrose	232,894	236,191	231,629	207,933	190,027	175,745
Morgan	453,322	448,705	437,875	393,955	347,229	324,422
Otero	475,128	516,165	509,552	452,617	410,316	358,843
Ouray	46,725	50,943	45,365	32,097	34,936	34,655
Park	51,400	50,650	57,400	54,600	52,800	57,801
Phillips	114,784	106,045	110,831	100,546	84,339	114,609
Pitkin	41,250	40,000	35,980	29,080	27,620	23,474

Table F.- Continued

County	Year					
	1928	1929	1930	1931	1932	1933
Prowers	312,100	340,800	352,100	315,500	266,800	252,224
Pueblo	1,445,681	1,459,586	1,449,426	1,382,184	1,243,542	1,037,465
Rio Blanco	75,250	76,500	77,400	65,600	61,250	53,140
Rio Grande	293,100	276,200	266,700	266,000	189,100	196,841
Routt	246,200	240,800	248,400	232,100	204,200	172,674
Saguache	158,600	163,400	150,300	113,000	116,000	102,288
San Juan	38,100	36,950	38,000	33,810	20,000	39,323
San Miguel	74,250	68,000	70,000	63,800	52,600	48,331
Sedgwick	170,000	193,200	181,200	180,600	153,800	143,243
Summit	46,100	46,500	43,600	41,700	34,950	32,150
Teller	77,600	83,600	82,000	80,300	70,750	65,460
Washington	314,000	288,500	280,800	246,200	218,800	192,551
Weld	3,122,000	1,828,000	1,780,000	1,612,000	1,446,000	1,275,477
Yuma	380,000	392,100	381,000	310,800	256,400	215,613
Total state	24,778,066	24,037,843	23,911,896	22,182,563	20,135,970	18,582,563

Table C.- Colorado School Debt as Percentage of Revenue for Colorado Counties, 1928 and 1933. (Data compiled by writer from files of tax agent, Denver & Rio Grande Railroad and office of State Superintendent of Public Instruction)

County	Warrants		Bonds		Total	
	1928 %	1933 %	1928 %	1933 %	1928 %	1933 %
Adams	5.0	19.8	154.6	168.6	159.6	188.4
Alamosa	1.3	49.9	150.6	197.6	151.9	247.5
Arapahoe	12.8	16.2	131.9	158.1	144.7	174.3
Archuleta	-	2.2	164.1	216.4	164.1	218.6
Baca	11.6	42.5	55.3	146.3	66.9	188.8
Bent	5.9	31.3	119.1	104.3	125.0	135.6
Boulder	6.7	10.5	100.3	57.2	107.0	67.7
Chaffee	-	1.8	96.0	87.7	96.0	89.5
Cheyenne	-	10.3	179.0	168.2	179.0	179.5
Clear Creek	-	6.4	-	1.7	-	8.1
Conejos	27.8	84.3	146.1	173.2	173.9	257.5
Costilla	29.7	127.6	116.1	235.4	145.8	363.0
Crowley	5.8	32.4	230.4	389.8	236.2	422.2
Custer	22.4	48.6	58.5	91.2	80.9	139.8
Delta	11.6	36.9	126.6	117.5	138.2	154.4
Denver	-	-	162.1	173.3	162.1	173.3
Dolores	-	61.8	61.1	104.5	51.1	166.4
Douglas	11.3	13.2	-	31.7	11.3	44.9
Flagle	6.2	4.3	32.3	29.8	38.5	34.1
Elbert	18.8	30.1	72.6	91.0	91.4	121.1
El Paso	6.1	10.3	127.1	130.5	133.2	140.8
Fremont	62.5	23.0	176.4	147.6	238.9	179.6

Table G.- Continued

County	Warrants		Bonds		Total	
	1928	1933	1928	1933	1928	1933
Garfield	7.1	15.9	130.8	206.6	137.9	222.5
Gilpin	1.7	124.1	-	-	1.7	124.1
Grand	6.8	10.9	38.5	63.1	45.3	74.1
Gunnison	20.0	26.4	255.1	226.3	275.1	253.2
Hinsdale	60.8	122.8	-	-	60.8	122.8
Huerfano	5.8	6.4	64.2	47.4	70.0	53.8
Jackson	-	-	-	-	-	-
Jefferson	13.7	10.1	144.1	133.5	157.8	143.6
Kiowa	6.9	10.0	99.5	161.0	106.4	171.0
Kit Carson	38.8	39.7	114.3	131.3	153.1	171.0
Lake	-	-	-	-	-	-
La Plata	19.8	8.7	104.1	91.8	123.9	100.5
Larimer	6.5	21.4	143.6	156.9	150.1	178.3
Las Animas	17.2	26.2	59.2	63.3	76.4	94.5
Lincoln	5.2	6.8	100.2	116.1	105.4	122.9
Logan	20.2	45.4	138.2	148.4	158.4	193.8
Mesa	4.3	48.9	143.5	181.0	147.8	229.9
Mineral	-	-	-	-	-	-
Moffat	12.0	24.2	82.6	100.1	94.6	124.3
Montezuma	-	33.4	94.6	126.4	94.6	159.8
Montrose	10.7	24.4	111.4	108.8	122.1	133.2
Morgan	2.1	15.7	173.1	225.3	175.2	241.0
Otero	2.7	29.5	135.0	166.6	137.7	196.1
Ourray	8.2	6.1	34.0	61.4	42.2	67.5
Park	-	-	-	-	-	-
Phillips	3.1	3.8	245.1	200.5	248.2	204.3
Pitkin	21.3	28.9	-	-	21.3	28.9

Table C.- Continued

County	Warrants		Bonds		Total	
	1928 %	1933 %	1928 %	1933 %	1928 %	1933 %
Prowers	2.9	19.7	126.2	173.6	129.1	193.4
Pueblo	3.8	4.6	115.8	165.4	119.6	170.0
Rio Blanco	8.0	25.6	162.8	224.7	170.8	250.3
Rio Grande	14.3	25.0	185.8	296.2	200.1	321.2
Routt	15.7	27.8	108.8	13.6	124.5	41.4
Saguache	3.2	69.2	97.6	206.2	100.8	275.4
San Juan	-	-	120.6	96.6	120.6	96.6
San Miguel	0.4	78.0	51.6	93.1	52.0	171.1
Sedgwick	5.6	5.6	224.4	313.1	230.0	313.7
Summit	-	-	-	-	-	-
Teller	-	-	-	-	-	-
Washington	0.6	16.1	48.5	101.4	49.1	117.5
Weld	6.8	8.7	89.6	181.6	96.4	190.3
Yuma	-	16.1	115.4	152.3	115.4	168.4
State	6.78	14.58	125.75	153.40	132.53	167.98

Table H.- Colorado School Debt per Capita for Colorado Counties, 1928 and 1933.  
(Data compiled by writer from files of tax agent, Denver & Rio Grande  
Railroad and office of State Superintendent of Public Instruction)

County	Warrants		Bonds		Total	
	1928	1933	1928	1933	1928	1933
Adams	.95	3.38	29.30	28.72	\$ 30.25	32.10
Alamosa	.32	9.35	35.49	37.05	35.81	46.40
Arapahoe	2.18	2.55	22.42	25.05	24.60	27.61
Archuleta	-	.27	27.97	27.22	27.97	27.49
Baca	2.10	6.84	10.00	23.53	12.10	30.37
Bent	.74	4.90	14.98	16.27	15.72	21.17
Boulder	1.44	1.81	21.65	9.88	23.09	11.69
Chaffee	-	.25	15.21	12.62	15.21	12.87
Cheyenne	-	3.93	69.20	65.00	69.20	68.93
Clear Creek	-	1.69	-	.46	-	2.15
Conejos	4.51	10.42	23.70	21.39	28.21	31.81
Costilla	4.50	13.68	17.56	25.23	22.06	38.91
Crowley	1.70	5.69	67.40	68.41	69.11	74.11
Custer	4.15	6.59	10.81	12.21	14.96	18.71
Delta	2.46	6.58	26.80	20.94	29.26	27.52
Denver	-	-	35.05	31.80	35.05	31.80
Dolores	-	6.28	8.85	10.62	8.85	16.90
Douglas	3.08	3.39	-	8.15	3.08	11.54
Eagle	1.57	.92	8.22	6.24	9.79	7.16
Elbert	5.57	5.73	21.50	16.92	27.07	22.65
El Paso	1.63	2.33	34.00	29.40	35.63	31.23
Fremont	10.00	3.65	28.20-	23.41	38.20	27.06
Garfield	2.44	3.24	45.15	41.98	47.59	45.22

Table H.- Continued

County	Warrants		Bonds		Total	
	1928	1933	1928	1933	1928	1933
Gilpin	\$ .40	\$ 29.01	\$ -	\$ -	\$ .40	\$ 29.01
Grand	2.12	2.60	12.09	14.94	14.21	17.54
Gunnison	5.70	7.75	72.75	66.76	78.45	74.51
Hinsdale	17.80	31.24	-	-	17.80	31.29
Huerfano	1.15	.76	12.57	5.63	13.72	6.39
Jackson	-	-	-	-	-	-
Jefferson	2.44	1.65	25.70	21.79	28.14	23.45
Kiowa	2.32	2.53	33.30	40.67	35.82	43.20
Kit Carson	12.21	10.38	36.10	34.33	48.31	44.71
Lake	-	-	-	-	-	-
La Plata	3.76	1.51	19.81	15.61	23.57	17.12
Larimer	1.52	3.86	33.82	28.35	35.34	32.21
Las Animas	3.52	3.92	12.13	10.30	15.65	14.22
Lincoln	1.81	1.69	34.99	28.76	36.80	30.45
Logan	5.49	9.16	37.00	29.97	42.40	39.13
Mesa	.83	7.78	28.08	28.70	28.91	36.48
Mineral	-	-	-	-	-	-
Monte	2.56	3.57	17.51	14.77	20.07	18.34
Montezuma	-	3.54	14.10	13.36	14.10	16.90
Montrose	2.11	3.64	22.10	16.29	24.21	19.93
Morgan	.52	2.78	42.80	39.98	43.32	42.76
Otero	.52	4.34	26.34	24.52	26.86	28.86
Ouray	2.14	1.22	8.92	11.91	11.06	13.13
Park	-	-	-	-	-	-
Phillips	.62	.75	48.60	39.65	49.22	40.40
Pitkin	4.96	3.83	-	-	4.96	3.83

Table H.- Continued

County	Warrants		Bonds		Total	
	1928	1933	1928	1933	1928	1933
Prowers	.62	3.36	26.72	29.67	27.34	33.04
Pueblo	.83	.73	25.30	25.99	36.13	26.72
Rio Blanco	2.03	4.58	41.10	40.06	43.13	44.64
Rio Grande	4.19	4.96	54.61	58.58	58.80	63.54
Routt	4.15	5.13	28.61	2.51	32.76	7.64
Saguache	.82	11.31	24.80	33.76	25.62	45.07
San Juan	-	-	23.79	19.63	23.79	19.63
San Miguel	.16	17.27	17.50	20.60	17.66	37.87
Sedgwick	1.70	1.44	68.44	80.38	70.14	81.82
Summit	-	-	-	-	-	-
Teller	-	-	-	-	-	-
Washington	.21	3.24	15.90	20.36	16.11	23.60
Weld	3.25	1.72	42.95	35.58	46.20	37.30
Yuma	-	2.54	32.19	24.13	32.19	26.67
Total state	1.62	2.60	30.01	27.52	31.63	30.12

Table I.- Colorado School Revenue per Capita, for 1928 and 1933.

(Data compiled by writer from files of tax agent, Denver & Rio Grande Railroad, and office of State Superintendent of Public Instruction)

County	1928	1933	County	1928	1933	County	1928	1933
Adams	\$ 18.90	7 17.02	Windsor	\$29.32	\$ 25.40	Rio Grande	\$ 29.37	\$ 19.76
Alamosa	23.60	18.74	Huerfano	19.61	11.86	Routt	26.35	18.45
Arapahoe	17.16	15.83	Jackson	16.58	11.08	Saguache	25.40	16.36
Archuleta	17.05	12.58	Jefferson	18.86	16.31	San Juan	19.69	20.31
Baca	18.11	16.05	Kiowa	33.42	25.25	San Miguel	33.91	22.09
Bent	12.50	15.62	Kit Carson	31.55	26.16	Cedgwick	30.44	25.68
Boulder	21.59	17.28	Lake	21.41	19.00	Summit	46.70	32.55
Chaffee	15.82	14.38	La Plata	19.06	17.01	Teller	18.77	15.80
Cheyenne	38.62	38.61	Larimer	23.51	18.04	Washington	32.71	20.10
Clear Creek	24.79	26.30	Las Animas	20.50	15.05	Weld	48.00	19.60
Conejos	16.22	12.35	Lincoln	34.82	24.75	Yuma	27.88	15.83
Costilla	15.16	10.70	Logan	26.80	20.20			
Crowley	29.30	17.55	Mesa	19.51	15.91			
Custer	18.50	13.42	Mineral	14.81	11.88			
Delta	21.14	17.83	Moffat	21.28	14.74			
Denver	21.70	18.32	Montezuma	14.88	10.58			
Dolores	17.30	10.16	Montrose	19.84	14.93			
Douglas	27.98	25.70	Morgan	24.78	17.74			
Tagle	25.51	20.98	Otero	19.48	14.71			
Elbert	29.61	18.72	Ouray	36.20	19.43			
El Paso	26.70	22.50	Park	25.00	23.15			
Fremont	16.01	15.86	Phillips	19.81	19.78			
Garfield	34.50	20.35	Pitkin	23.30	13.28			
Gilpin	23.48	23.38	Prowers	21.18	17.11			
Grand	31.35	23.69	Pueblo	21.90	15.71			
Gunnison	28.55	29.41	Rio Blanco	25.24	17.82			
						Per capita for state	23.90	17.93

Table J.- Percentage Increase or Decrease in School Debt and Revenue for Colorado Counties, 1928 to 1933. (Data compiled by writer from files of tax agent, Denver & Rio Grande Railroad, and office of State Superintendent of Public Instruction).

County	Percentage increase or decrease	
	In total indebtedness	In total revenue
Adams	6.1	- 10.0
Alamosa	29.8	- 20.6
Arapahoe	12.1	- 7.8
Archuleta	- 1.8	- 26.2
Baca	150.8	- 11.4
Bent	35.2	25.0
Boulder	- 49.4	- 20.0
Chaffee	- 15.3	- 9.1
Cheyenne	- 0.3	- .03
Clear Creek		6.1
Conejos	12.6	- 23.9
Costilla	76.4	- 30.7
Crowley	7.2	- 40.0
Custer	25.2	- 27.4
Delta	- 6.0	- 15.7
Denver	- 9.6	- 15.6
Dolores	92.0	- 41.5
Douglas	276.5	- 5.1
Eagle	- 26.9	- 17.8
Elbert	- 18.5	- 36.8
El Paso	- 11.1	- 15.7
Fremont	- 29.3	- 0.9
Garfield	- 5.0	- 41.1
Gilpin	7120.0	- 0.4
Grand	23.5	- 24.4
Gunnison	- 5.0	3.0
Hinsdale	75.6	- 13.4
Huerfano	- 53.4	- 39.5
Jackson		- 33.2
Jefferson	- 16.9	- 13.5
Kiowa	21.4	- 24.4
Kit Carson	- 7.4	- 17.1
Lake		- 11.2
La Plata	- 27.4	- 10.8
Larimer	- 8.8	- 23.3
Las Animas	- 9.0	- 26.6
Lincoln	- 17.1	- 28.9
Logan	- 7.7	- 24.6
Mesa	26.6	- 18.5
Mineral		- 19.8

Table J.- Continued

County	Percentage increase or decrease	
	In total indebtedness	In total revenue
Moffat	- 8.8	- 30.7
Montezuma	20.2	- 28.9
Montrose	- 17.6	- 24.7
Morgan	- 1.4	- 28.9
Otero	7.6	- 24.5
Ouray	18.7	- 25.8
Park		12.6
Phillips	- 17.8	- 0.2
Pitkin	- 22.7	- 43.1
Prowers	20.9	- 19.2
Pueblo	2.2	- 28.3
Rio Blanco	3.6	- 29.5
Rio Grande	3.0	- 32.7
Routt	- 76.8	- 30.0
Saguache	76.0	- 35.8
San Juan	- 1.7	4.0
San Miguel	114.0	- 34.8
Sedgwick	16.6	- 15.6
Summit		- 30.3
Teller		- 15.8
Washington	46.7	- 38.8
Weld	- 19.3	- 59.2
Yuma	- 17.3	- 43.3
Total state	- 4.80	- 25.0

**ABSTRACT OF THESIS**

**By George B. Ralph**

## ABSTRACT

The Problem.- The problem of the present study has been:

A. To determine for the period from 1928 to 1933:

1. The per capita school indebtedness of Colorado as compared with that of the nation as a whole and with that of the neighboring mountain states.
2. The school indebtedness in each Colorado county and the changes that have occurred in that indebtedness in the period from 1928 to 1933, inclusive.
3. The per capita revenue in the individual counties for school purposes and the changes that have occurred in this revenue for this same period, 1928 to 1933, inclusive.

B. To interpret the trends of the different items of school finance, and to discover what some of the definite factors or group of factors have been responsible for the changes that are shown in the study of these trends.

The years covered in the present study have been those beginning with the school year 1927-1928 and ending with the school year 1932-1933. The beginning of this particular six-year period preceded by one year the financial collapse of 1929, and the complete period should be sufficiently long to determine the effects of the depression upon school finances.

Method of Obtaining Data.- Data relating to state school income from taxation and total school indebtedness were obtained for the different states, including Colorado, from the official publications of the Bureau of Education, Department of the Interior, Washington, D.C. The purpose of such data was to determine the position of Colorado in comparison with the nation as a whole and with other mountain states. The information gained in this way was general in nature and little attempt was made in the official publications to allocate types of indebtedness.

Detailed reports for the schools in Colorado are in the permanent files of the office of the Superintendent of Public Instruction. Total for counties and for the state as a whole have been officially compiled by the superintendent's office and are available in published form as Biennial Reports. The original raw data, upon which the official reports are based, are the annual reports of the many school districts of the state. For the purposes of the present study the original raw data were desired rather than any mere compilation from them.

These original data, spread as they were over a period of so many years, were not available to the writer. Even had permission been granted to use the files, the time required to peruse the files and to check and recheck the figures, made such a procedure inadvisable.

An alternative source of school data equally valid and thoroughly checked, was available to the writer for detailed study in an unorganized and untabulated form in the office of the tax agent of the Denver and Rio Grande Railroad. The reports in that office presented in the form of raw data all figures pertaining to county finances, school revenue and indebtedness being included among the rest of the county items. These facts for the school districts of the entire state had been gathered personally and with the cooperation of county treasurers, by a trained investigator, and represented the six years covered by the present study. It is believed by the writer that the figures so gathered represent a close approach to the actual financial conditions of the schools and are free from ambiguity, such as might result from the misinterpretation of questions on questionnaires returned to the State Superintendent's office.

Permission to remove the source material from its files was granted by Mr. George Dodge. This permitted ample time for the examination of the records and the separation of desired data. Without such privileges the

present thesis would have been impractical.

Compilation of Data.- All figures relating to registered school warrants, bonded school indebtedness, and school revenue from direct taxation were selected from the original reports of the individual school districts. This was done for all six school years of the period studied. These items were placed upon a master sheet for each county. County totals were then compiled and from these a grand total for the state was prepared.

There are 2,033 school districts in the state of Colorado. A preliminary attempt was made to establish the trends in the individual school districts. This method indicated results that were excessively cumbersome to present and interpret. It was felt that a simpler and truer picture could be drawn by using the county as the unit of discussion rather than through the use of the many individual districts. As a general rule the county represents, geographically, an area with closely similar financial and educational problems.

Analysis of Data.- The trends for the individual items of school bonded indebtedness, registered warrants and revenue for the six-year period, were then developed graphically for the state as a whole. The changes that occurred in the depression years were easily recognizable. A comparative graphical study was also made for the individual counties for the school year 1927-1928 and for 1932-1933. This presented only the

extreme years of the study and brought into sharp contrast the effects of the depression. The counties were then grouped into natural geographical divisions and trends of indebtedness changes were studied in relation to possible factors affecting these divisions.

The study of the trends of school indebtedness involves the general perusal of a long period of years. In order to determine a general trend of school finance for Colorado a study was made of total indebtedness, capital outlay, instructional costs, bond redemption and total receipts for the period of 1913 to 1934. This period includes the period under special study in this thesis. This study was made for the state of Colorado as a whole in order to tie the picture of the trends found in this study in with that of the trends established over a longer period of time.

Summary.-- The findings of the present study as to school indebtedness and school revenue for Colorado as a whole and the individual counties may be summarized as follows:

In 1931-1932 the average school debt per capita was \$31.32. This was \$5.90 greater than the average debt per capita for the United States as a whole. Only eight states of the entire nation had a greater school indebtedness per capita.

Compared with other mountain states the school indebtedness of Colorado in that year was exceeded only by

Wyoming. Colorado's indebtedness was not changed materially from 1930 to 1932, a reduction of 28 cents occurring, although the average per capita figures for the entire group of seven mountain states decreased in that period \$3.90. The average for the entire United States had increased \$5.66.

Colorado's indebtedness due to registered warrants increased from \$1,680,000 in 1928 to \$2,700,000 in 1933, an increase of nearly 60 percent. The increase in such warrants was due, in part, to the lowered revenue for schools. The revenue dropped from \$24,780,000 in 1928 to \$18,580,000 in 1933, a decrease of close to 25 percent. The trend in revenue for the six-year period was downward for the entire time, being greatest after 1930.

The total bonded indebtedness remained almost stationary from \$31,100,000 in 1928 to \$30,500,000 in 1930; and then dropped to \$28,500,000 in 1933. The decrease amounting to about 9 percent from 1928 to 1933. The total indebtedness consisting of bonded indebtedness and registered warrants was decreased only 5 percent since the warrants had increased in amount in that period.

The operating expenses were sharply reduced, especially during the latter part of the period of greatly reduced income. The reduction of indebtedness, therefore, forced the curtailment of operating expense even lower than would otherwise have been the case.

Almost half of the counties of the state (27 of

the 63) increased their indebtedness during this period; and even in those reducing indebtedness, two-thirds did not do so as greatly as the revenue was lowered.

While the state as a whole was reducing its school per capita indebtedness by nearly 5 percent from 1928 to 1933, the individual counties varied in this respect from a decreased indebtedness of 77 percent for Houtt County to an increased indebtedness of over 200 percent for Douglas County.

The total revenue for the state for school purposes decreased in that period by 25 percent. The individual counties had decreased revenue that ranged from a 59 percent decrease in Field County to a 25 percent increase in Bent County, with 58 of the 63 counties showing a decrease.

Certain geographical groups of counties showed similar trends in the reduction or increase of school indebtedness per capita for the period from 1928 to 1933.

Eight counties along the Arkansas River increased their indebtedness during this period. Part of this was due to the greatly reduced farm income resulting from low prices and drought.

Five counties paralleling the South Platte River, but lying to the east, also showed an increase of indebtedness that reached in 1933 the high of \$81.82 per capita debt for school purposes in Sedgwick County. These counties with good soil but using dry-farming methods

were affected by drought and low grain prices.

All of the five counties of the San Luis Valley increased their per capita indebtedness for the period by amounts that ranged from an increase of \$19.45 in Saguache County to \$3.60 in Conejos County. A great decrease in the price of specialized crops or of cattle and sheep, was responsible for a markedly lowered income.

The San Juan Mountain group or five counties in southeastern Colorado increased indebtedness slightly in the six-year period but the sparseness of population made the total debt not excessive. This was also true of two other mountain counties.

Three counties in northwestern Colorado increased their school indebtedness somewhat during this period. All were sparsely settled and included much grazing territory.

The conditions in Colorado responsible for high per capita indebtedness had their origins several years previous to 1928. From 1913 to 1928 the total school debt had increased steadily and rapidly by an amount equal to 400 percent. The receipts for school purposes in Colorado had increased about 340 percent during almost the same period that the indebtedness was increasing 400 percent, the two increases closely paralleling until 1926. The receipts dropped off rapidly after 1926, reaching in 1933 nearly the same amount as in 1921. The indebtedness continued to increase to 1928 and then dropped slowly,

reaching in 1933 the indebtedness of 1926.

The rise in instructional costs was much slower than that of either receipts or indebtedness. Total instructional costs rose gradually from 1918 to 1930, decreasing sharply after 1932, reaching by 1934 the level of 1922.

Since school population had increased in the dozen years from 1922 to 1934 the salary schedules of 1934 were much lower than in 1922.

Capital outlay for permanent fixtures and improvements rose from \$1,750,000 in 1918 to \$5,300,000 in 1926; it dropped abruptly to less than \$200,000 by 1934, following closely the break in receipts.

Bond redemption remained almost constant up to 1926 with a moderate increase after that year. Considering the total indebtedness the bond redemptions were small in amount.

The failure of school districts to follow a pay-as-you-go policy in the construction of school buildings was largely responsible for the indebtedness up to 1926. Suggestions leading to an improvement of the situation would include:

- (a) The refinancing of bonded indebtedness at lower rates of interest.
- (b) Following so far as possible, a pay-as-you-go policy in the future.
- (c) Issuing callable bonds to be called in

during prosperous periods.

- (d) The almost insurmountable school indebtedness of certain districts may make advisable state or federal aid, if the education of children in such districts is not to be jeopardized.

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