



Legislative Fiscal Bureau

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TO: Members
Special Committee on Review of State School Aid Formula

FROM: Layla Merrifield, Fiscal Analyst

SUBJECT: Large Area, Low Enrollment School Districts--Options for Sparsity Aid

The following memorandum provides information related to options for a categorical aid program for school districts with a large area and low enrollment.

In structuring this type of categorical aid, one factor could be to limit the proposal to districts with lower enrollment, such as less than 1,000 pupils. A rationale for this type of threshold is that in a district with low enrollment, fixed costs are spread across fewer pupils, and class sizes in required courses may be so small as to further increase per pupil costs.

A second factor could be to limit the proposal to districts above a certain area, such as 200 square miles. The rationale for this type of restriction is that consolidation may not be a realistic option for districts above a certain area.

The attachment provides summary information on the distribution of school districts by area and enrollment. As shown in the attachment, there are 223 school districts with areas over 100 square miles and these districts have a total enrollment of 353,535. As an example, if a categorical aid of \$300 per pupil would have been provided to this broad category of school districts, it would have cost an estimated \$106 million. However, if the aid would be limited to school districts with areas over 100 square miles and enrollments under 1,000 pupils, 115 school districts would have received an estimated \$21 million. The data shown in the attachment can be used to determine the number of school districts and pupils that would be affected, depending on which area and enrollment thresholds are chosen.

LM/sas
Attachment

ATTACHMENT

Distribution of School Districts by Area and Pupils Enrolled

<u>Area in Sq. Miles</u>	<u>All Enrollment Sizes # of Districts</u>	<u>Pupils</u>	<u>Enrollment Under 2,000 # of Districts</u>	<u>Pupils</u>	<u>Enrollment Under 1,500 # of Districts</u>	<u>Pupils</u>	<u>Enrollment Under 1,000 # of Districts</u>	<u>Pupils</u>	<u>Enrollment Under 500 # of Districts</u>	<u>Pupils</u>
Over 100	223	353,535	177	157,934	155	119,632	115	70,698	31	10,641
Over 200	73	114,721	54	46,942	47	34,734	37	21,734	12	3,676
Over 300	35	53,011	27	24,815	23	17,556	20	13,230	4	1,742
Over 400	24	35,597	19	19,777	15	12,518	12	8,192	3	1,345
Over 500	9	13,046	7	7,205	6	5,312	5	3,856	1	421