

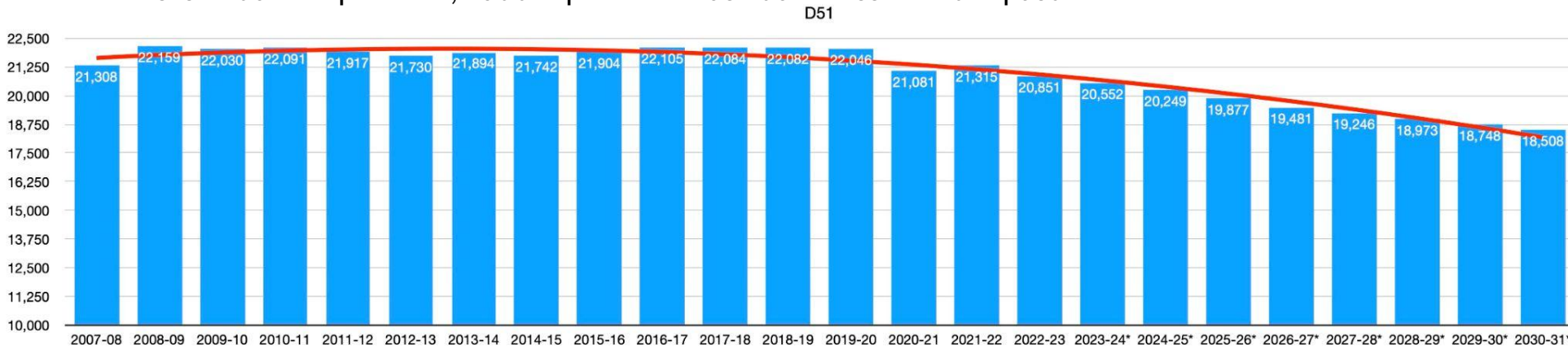


D51 Board of Education

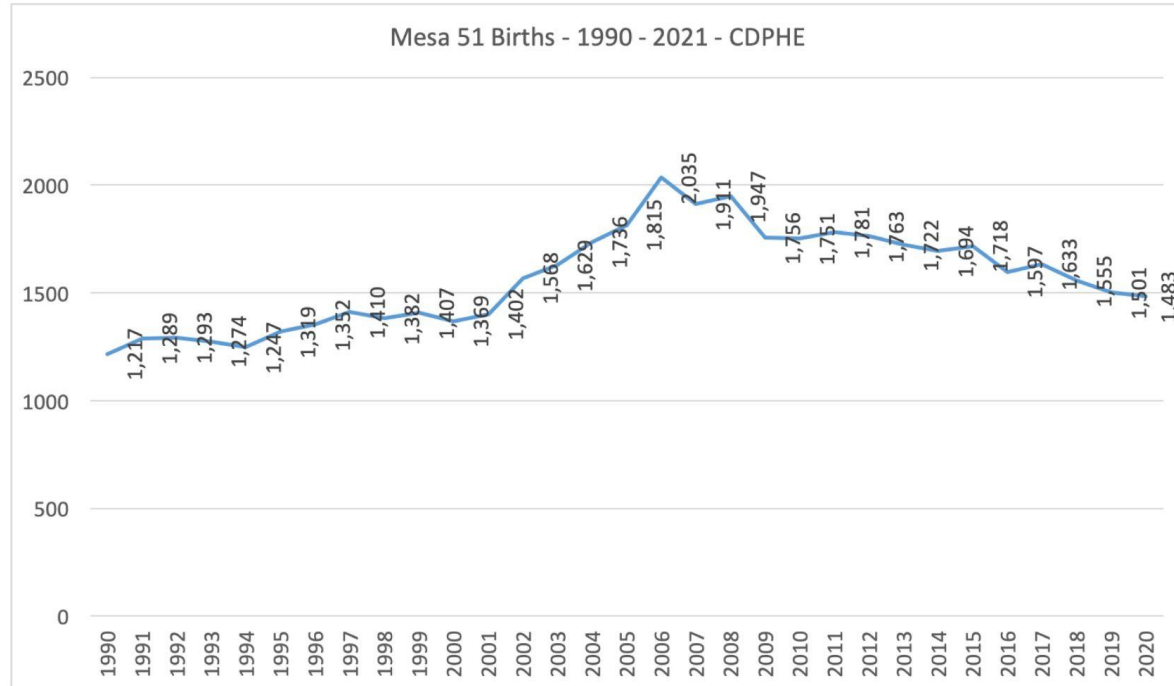
Special Meeting - 2/27/23

Enrollment Data Timeline:

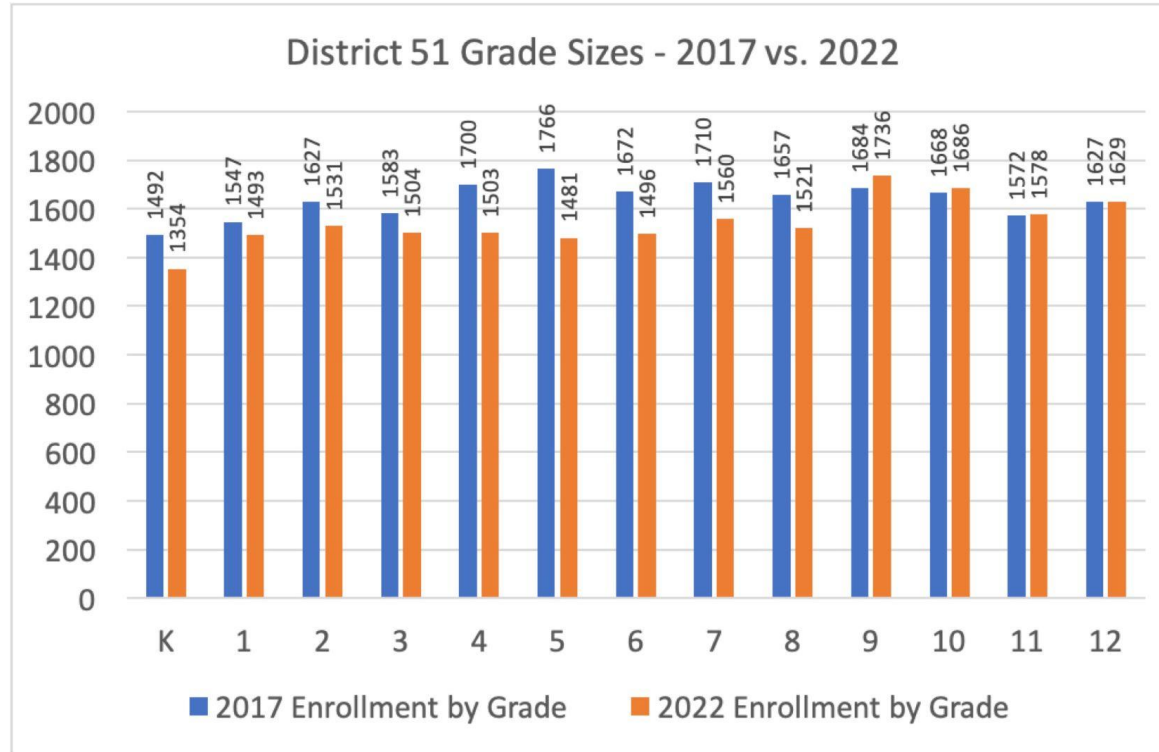
- Enrollment has been declining in D51 since 2019-20
- We have about 1,200 less students now than we did 4 years ago (Over 5% decline)
- We are funded per pupil
- Less students = less funding
- When a school declines in enrollment, they receive less FTE (Staff)
- When a school drops below a certain number, it becomes harder to properly staff them for programmatic needs
- We have had to cut staff in schools the last few years, especially at the MS level
- Projected to have to cut staff even more next year
- We have about 11,939 elementary seats with 8,945 used (74.9%), about 5,398 middle school seats with 3,798 used (70.3%), and about 6,182 high school seats with 5,642 used (91.2%). - Not including charters & special campuses
- This is not a new problem, but the problem wasn't addressed in the past



Births



District 51 Grade Distribution



Historical Enrollment & Forecast by Level

Total District Projections - Fall 23 - 1/13/23

Hist Enroll	Totals by School Type						
Year	(K-5)	(6-8)	(9-12)	(K-12)	ps	Tot w PS	Net Growth
2017	9715	5039	6551	21305	732	22037	
2018	9540	5171	6648	21359	805	22164	127
2019	9344	5151	6709	21204	836	22040	-124
2020	8948	4911	6507	20366	807	21173	-867
2021	8981	4812	6726	20519	809	21328	155
2022	8872	4547	6637	20056	813	20869	-459

<u>Enrollment Forecast</u>	(K-5)	(6-8)	(9-12)	(K-12)	ps	Tot w PS	Net Growth
2023	8771	4506	6462	19739	813	20552	-317
2024	8595	4469	6371	19436	813	20249	-303
2025	8401	4499	6165	19064	813	19877	-371
2026	8161	4559	5948	18668	813	19481	-396
2027	7950	4549	5934	18433	813	19246	-235
2028	7853	4407	5900	18160	813	18973	-273
2029	7730	4245	5960	17935	813	18748	-225
2030	7639	4080	5977	17695	813	18508	-239


If Projections Are Accurate:

- 11 historically large neighborhood elementary schools will be under 300 students by 2027
- 8 elementary schools have/will have significantly diminished utilization by 2030
- 3 historically large neighborhood middle schools will be under 400 students by 2027
- 5 middle schools have/will have significantly diminished utilization by 2030

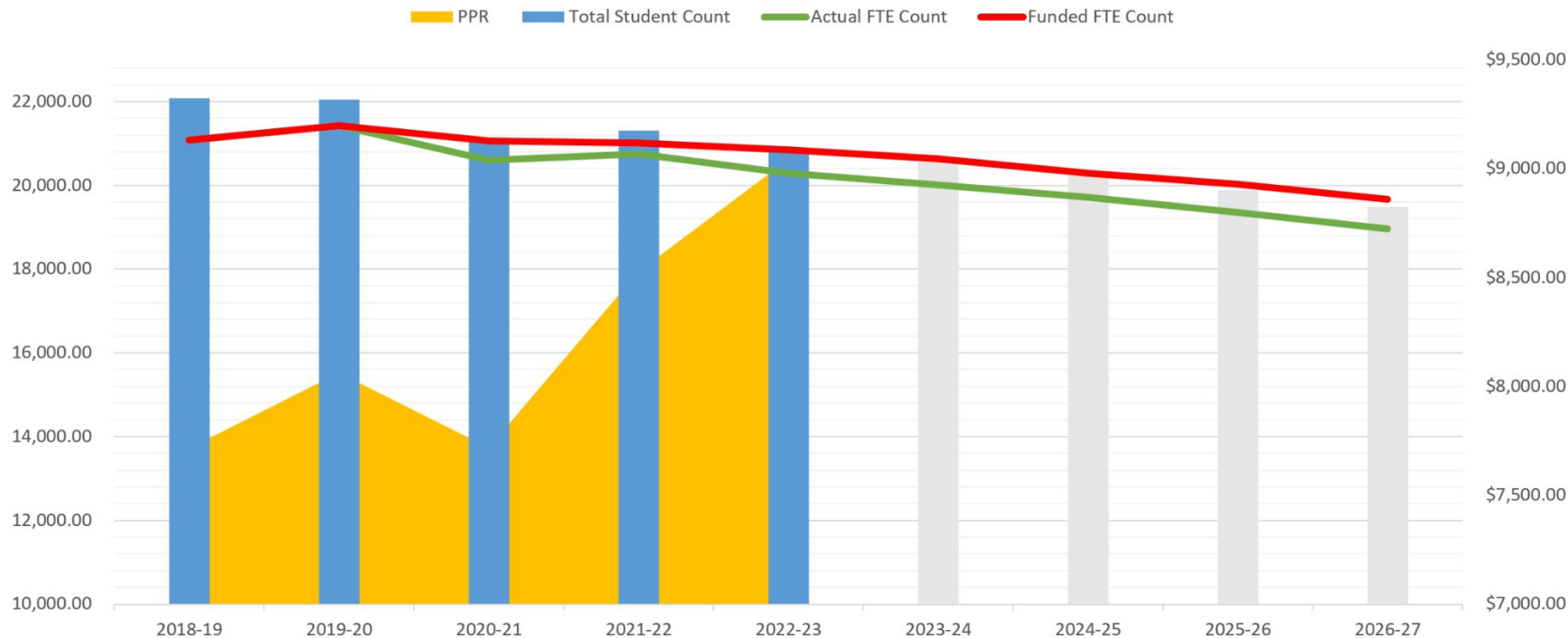
Short Timeline:

- Shannon has been our district demographer for 18 years
- Shannon provides enrollment projections (which we use for staffing projections), assistance with boundary changes, and adjustments to Board Member district boundaries
- Shannon provided D51 Admin with latest projections on 11/28/22 - Not Board-initiated
- Data was concerning as it showed continued enrollment loss by a significant amount, especially in certain schools
- Notified the Board in December of enrollment projection concerns and the need to actually address it
- Because of Winter Break & scheduling, Jan 17 Board Meeting was the first time Shannon was able to present the data publicly
- If consolidations were to be considered for next school year, needed recommendations by end of February
- Enlisted Shannon to study possible candidates for consolidations after Jan 17 Board Meeting presentation
- 1 month to try and collect all data - included surveys, townhalls, school walkthroughs with school & district admin, structural engineer assessment of one school, boundary studies, Board presentations, etc.
- Final recommendation received from Shannon on Feb. 17, Principals & staff at potential closure schools notified that afternoon, all staff and family email sent out that evening, Board Meeting Feb. 21
- Not the normal timeframe we would want for an important decision like this, but inaction in the past has left us in a worse situation and a real sense of urgency to provide immediate relief.

Staffing & Financial Information

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- Annual student enrollment declines anticipated through the entirety of the demographer's projections
 - Declines to date have, and will continue, to impact funding
 - (1,195) students since 2019-20, 5.4% decline
 - Through averaging since 2019-20, (577.88) funded FTE count, 2.7% decline
 - This year, for example, D51 is receiving about \$5m more in PPR than actual FTE count because of funding averaging
 - Demographer projecting future annual student decreases ranging from 225 to 396 per year through 2030 - 2,359 fewer students going forward
 - Currently have 2 higher enrollment years in the rolling 5 year averaging calculation
 - Averaging has shielded us from the brunt of the funding reductions by drawing the reductions out
 - Some of the impact of averaging will lessen once the two remaining high years drop off

D51 Historical/Projected Count and FTE - PPR Overlay



This funding reduction is inherently different than reductions we've experienced in the past

- *Driven by funding of fewer FTE, vs. less funding per FTE*
- Early projections for next year's funding show potential for growth in PPR rate:
Very preliminary recommendation and won't be set until mid-May, driven by 8% inflation rate

Staffing Concerns:

- Over staffed in schools by \$3.1m as of October
- Without adjustments for next school year, projected to be close to \$3.8m over
- Overages will continue to compound rapidly if not addressed
- Elementary: Declines and adjustments have reduced number of para and other support positions, led to fewer rounds - unbalanced class sizes
 - Most over 1 to 2 FTE for next year
- MS: Adjustments already made have been most felt at MS, impacting core scheduling and elective offerings - still considerably overstaffed
 - Some over 4 to 6 FTE for next year
- HS: Small middle school grades now reaching HS level

Level	22-23 Staffing FTE Overages
Elementary	8.50
Middle	23.57
High	5.11
Total	37.18

Level	23-24 Projected Staffing FTE Overages
Elementary	8.30
Middle	22.80
High	14.39
Total	45.49

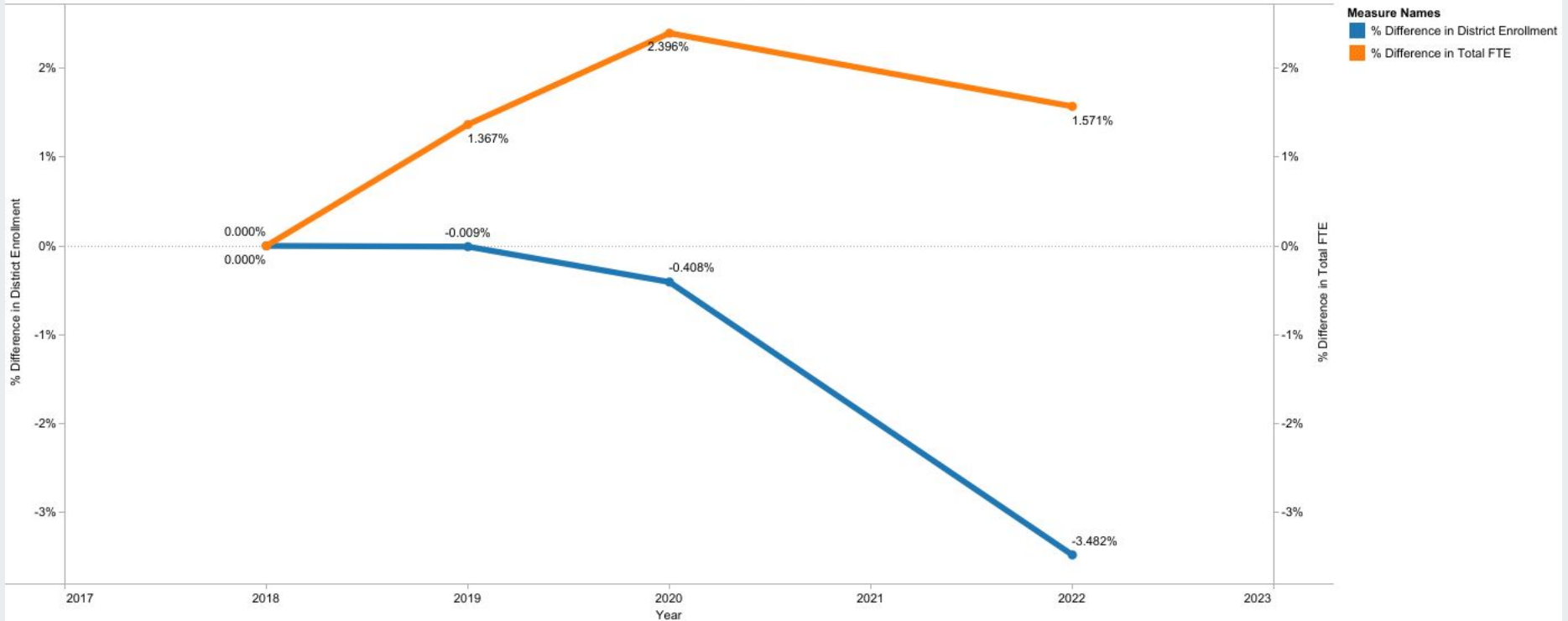
FTE Change versus Enrollment Change

Cumulative Change from Base Year

District: MESA COUNTY VALLEY 51

Position: Teacher

Source: Colorado Department of Education



Compounding Effect Demonstration:

Based on Projected Enrollments, Applying Staffing Ratios by Level

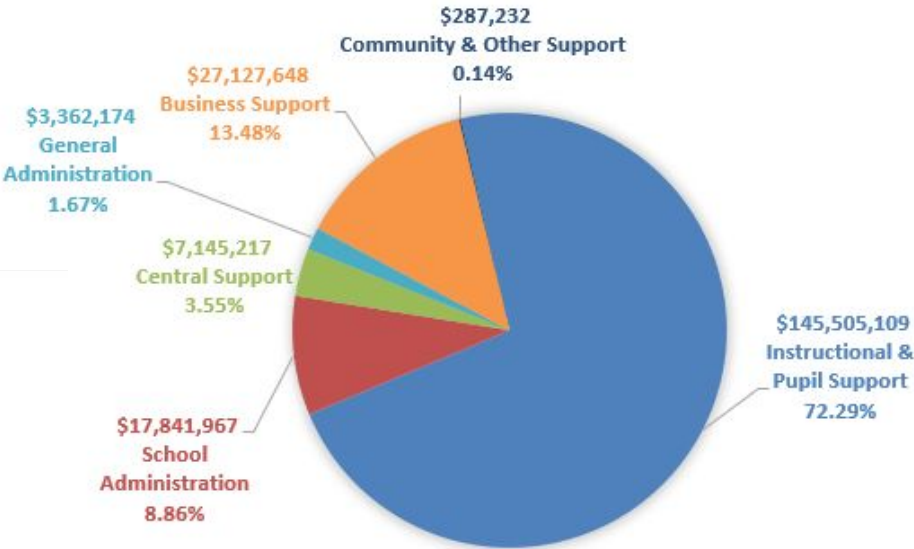
Note: Projected enrollment changes shown here do not include students attending program schools, options schools, and K-12 school

	2024-25		2025-26	
	Proj. Enrollment Change	Staffing FTE	Proj. Enrollment Change	Staffing FTE
Elementary, K-5	(157.6)	(10.9)	(173.7)	(12.1)
Middle, 6-8	(31.0)	(1.9)	25.1	1.5
High, 9-12	(84.8)	(4.9)	(191.9)	(11.2)
Total	(273.3)	(17.8)	(340.4)	(21.7)

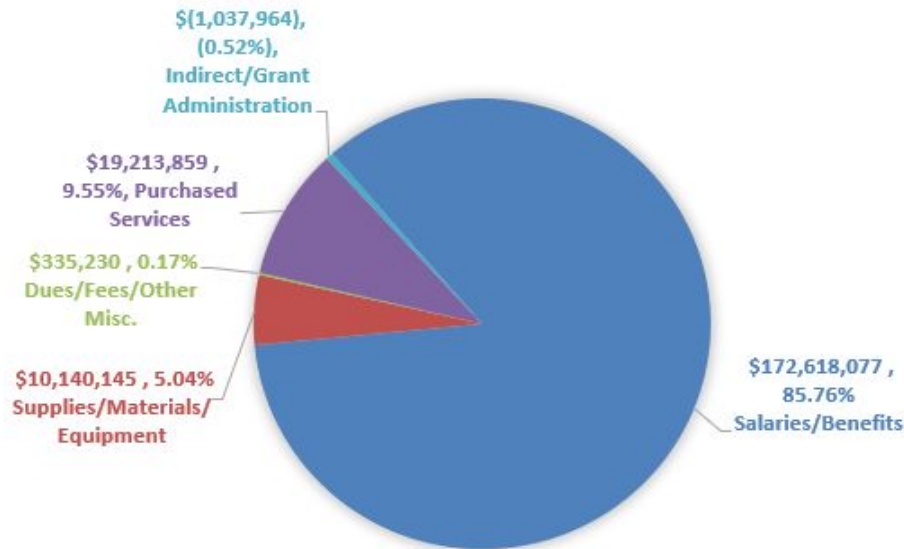
General Fund Resource Allocations:
Instructional/Pupil Support/School Administration 81%
of General Fund Budget

Salaries/Benefits 86% of budget

2022-23 GENERAL FUND EXPENDITURES BY PROGRAM



2022-23 GENERAL FUND EXPENDITURES BY TYPE



A Path Forward

- **At the point in elementary and middle school staffing where reducing unfunded positions is difficult, to impossible, without continued significant impact to programming and classroom supports**
- As demonstrated, receiving schools will have positions available for displaced staff
- Receiving schools will be better sized and have the ability for more programming opportunities

How will Savings and Efficiencies be Realized?

- Better able to staff to staffing model ratios:
 - Able to reduce unfunded positions
 - Average cost with benefits of \$83,000 per staffing FTE saved
- **Efficiencies - Some immediate, some over time:**
 - Less square footage to maintain and clean (Custodial supply budgets still needed at students' new schools)
 - Fewer kitchens in operation (Staffing is based on labor hours per meal served - food costs and some labor hours will need to follow students to new schools)
 - Adjustments to Special Ed and Special Service Providers TBD
 - Less duplication of services
 - Utility savings - Some utility costs still needed for vacated buildings, ie. minimal heating/cooling, irrigation, maintenance of grounds continued

Addressing Unfunded Positions

Potential Staffing Model Adjustments by Level	Schools Directly Impacted by Proposed Consolidations	Schools Not Directly Impacted by Proposed Consolidations	Projected Total
Elementary	(8.5)		\$ (705,500)
Middle	(17.5)	(5.0)	\$(1,867,500)
High		(14.0)	\$(1,162,000)
Total - (45) Staffing FTE	(26.0)	(19.0)	\$(3,735,000)
Based on avg. teacher salary/benefits \$83,000/staffing FTE	\$ (2,158,000)	\$ (1,577,000)	\$(3,735,000)
	Anticipated Reduction in Unfunded Positions		

Projection only - Does not account for Re-SOC/transfer process for students at impacted schools

In Summary

- **School staffing has reached a critical point**
 - Too significant to “cut” ourselves out of
 - Reductions to date not keeping pace with enrollment declines
 - Inevitable that schools cannot operate the same at 22,000 students vs 18,500 students, with the same number of locations
- **While there are serious financial implications of continuing down this trajectory, we need to proactively prepare to avoid a financial crisis**
 - Have been strategic with ESSER funds and other resources to this point to build appropriate reserves
 - ESSER ends after next school year
 - Funding levels per student from the state have been improving, and are projected to do so next year, *however*, funding is set each year and conditions can change rapidly
 - **Funding of fewer FTE vs. less funding per FTE**

Options for Board Discussion:

- Adhere to the staffing model ratios
 - **Most schools will lose FTEs next year**
 - Most elementaries have 1-2 unfunded FTE
 - MS especially difficult (Up to 6 unfunded FTE at some schools) Significant impacts to programming
 - As declines continue, this will mean an annual FTE loss for most schools
- Maintain current staffing levels for one more year using temporary funding like ESSER, or as a priority for any new PPR funds
 - **Temporary “band-aid”, doesn’t change the inevitable**
 - Reduces possibilities to address other needs in our system, such as:
 - Teacher base pay/other staffing challenges
 - Learning recovery interventions, summer school and other planned ESSER items (1 yr only - ESSER ends after next school year)
 - Lasting impacts to the entire system
- Adopt the demographer’s recommendations for consolidation
 - **Gives us a path forward to make staffing adjustments while not increasing class sizes and while maintaining, or even improving, programming options**
 - Though painful to close schools, receiving schools will also receive FTE to add rounds, better balance class sizes, and possibly add back supports that have been lost in recent years
 - Doesn’t address schools not receiving students - adjustments at other schools should still be made
- **Any combination of these options**

Board Discussion
