

# Long Term Impact of Declining Enrollment

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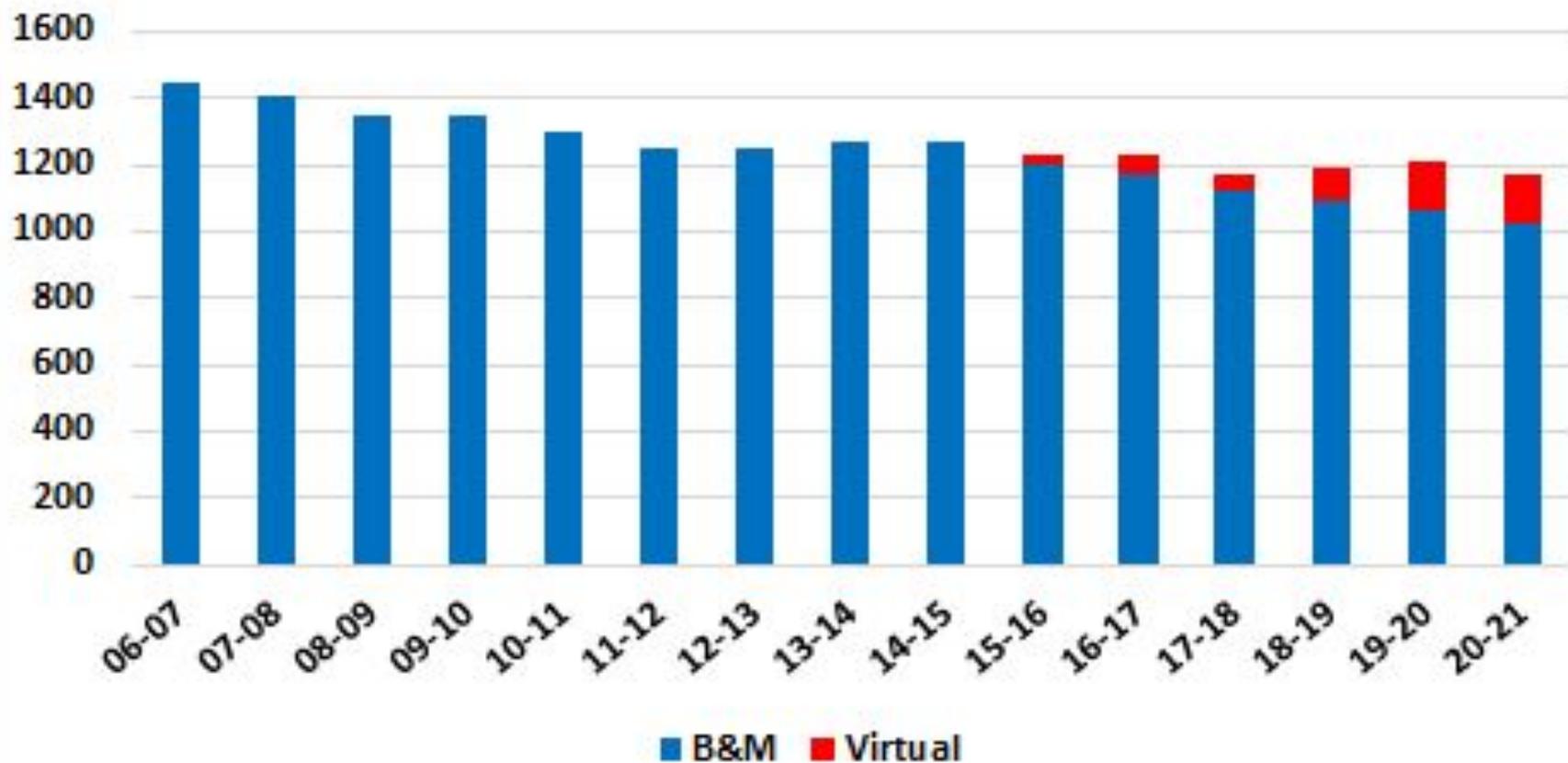
# Session Descriptions

As of the 2020-21 school year, nearly 80% of Wisconsin's 420+ school districts are facing declining enrollment. While this might be a recent development for some, many districts face sustained declining enrollment over a long period of time. This session will present three case studies of districts with long term enrollment decline and highlight strategies used and key decisions made to sustain quality learning.

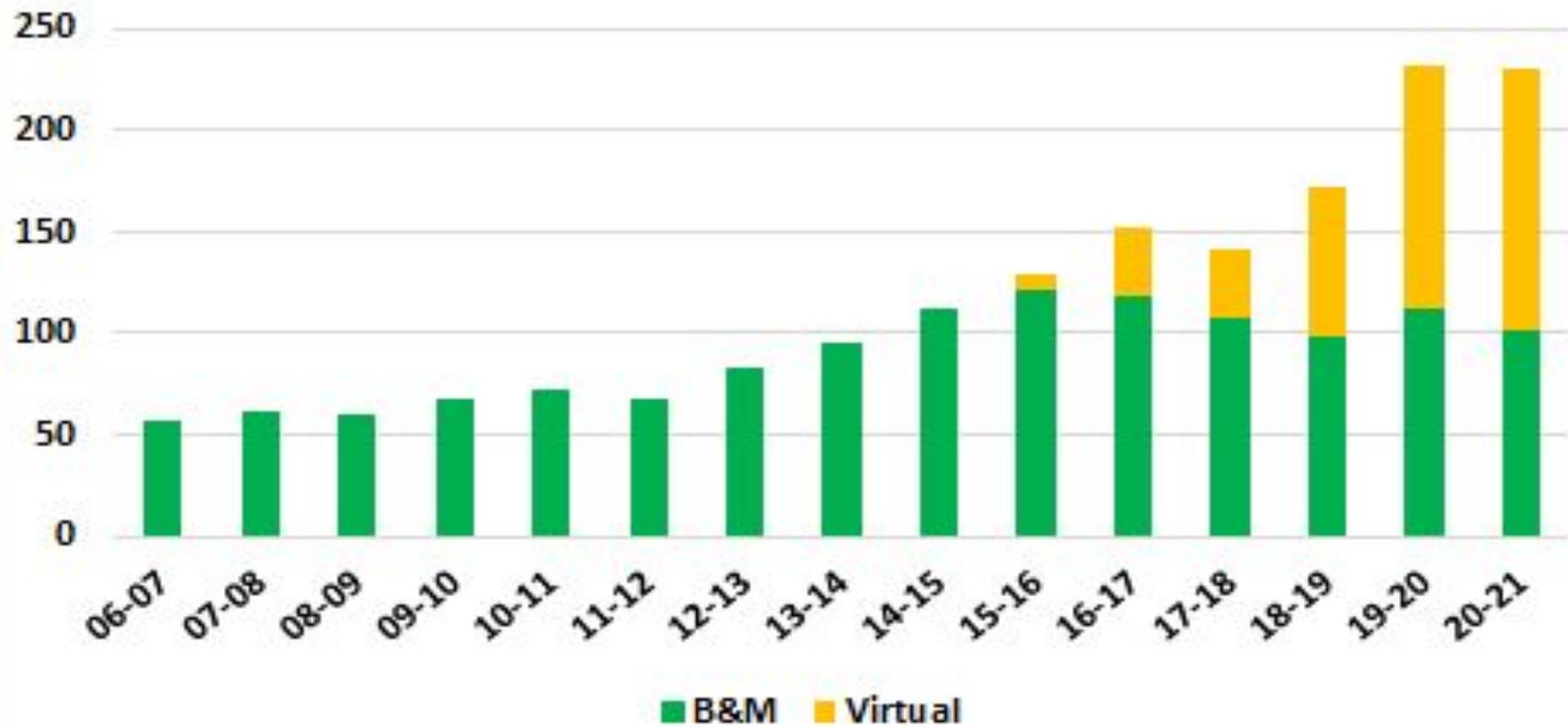


**SCHOOL DISTRICT OF**  
**NEKOOSA**

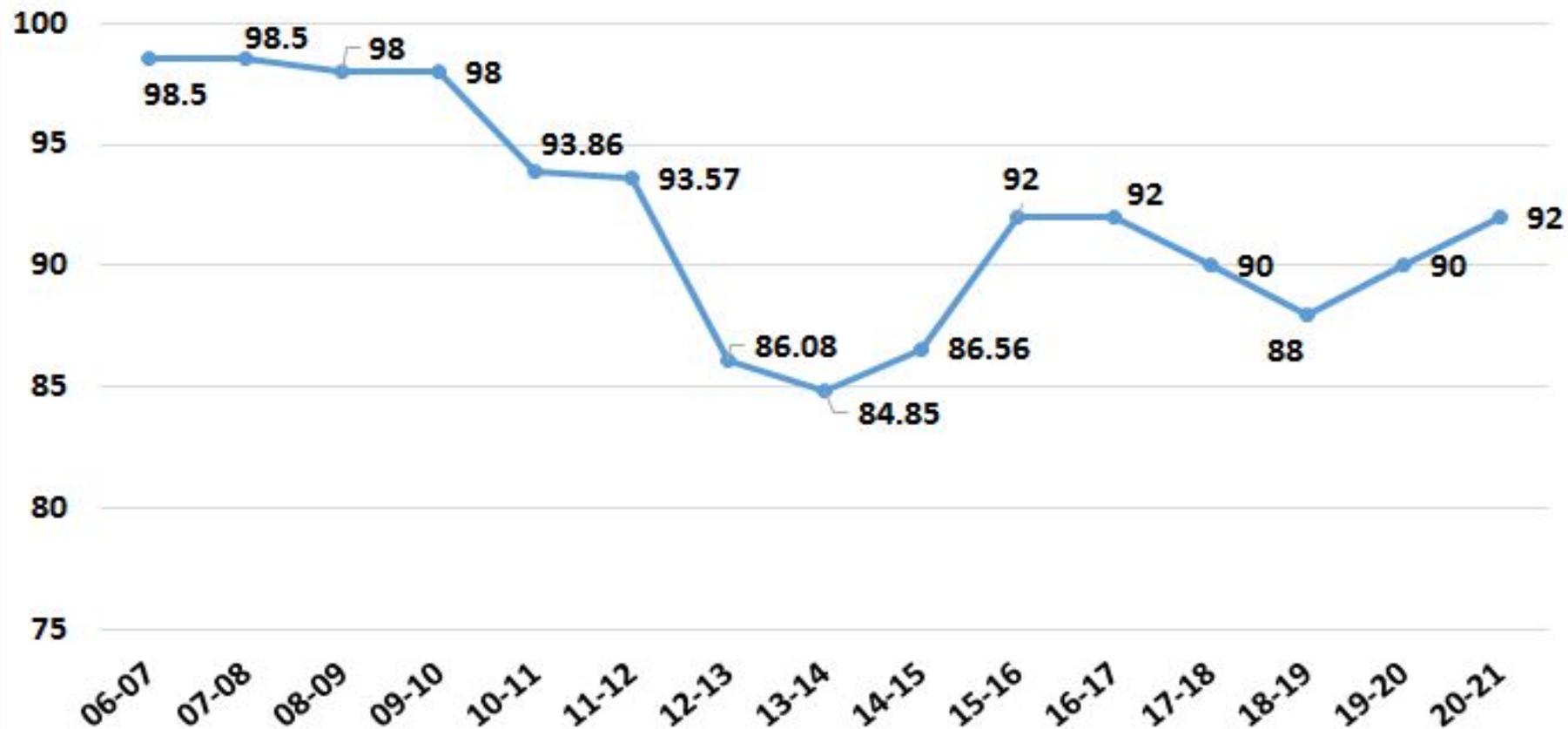
## Nekoosa Enrollment



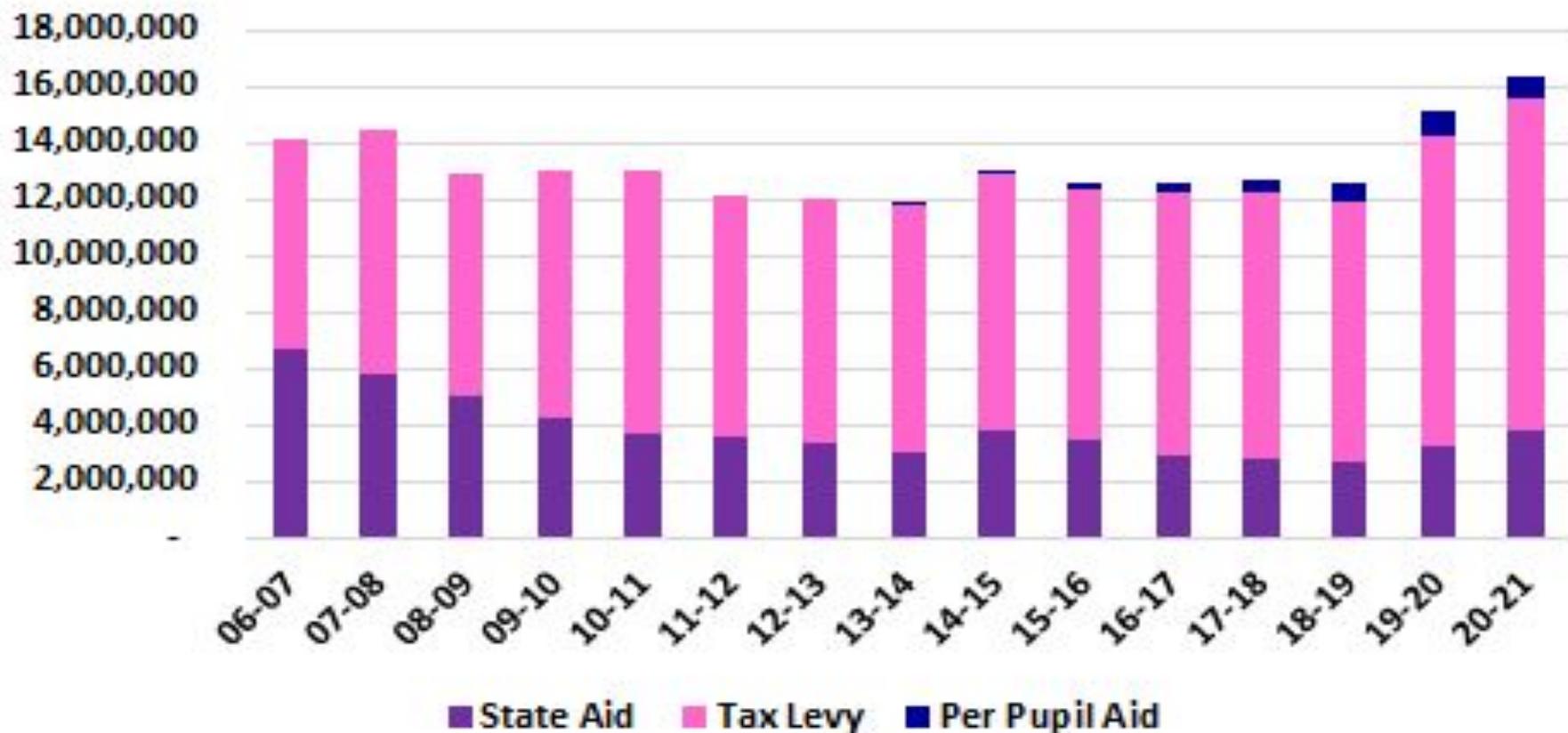
## Nekoosa Open Enrollment Transfer In



## Nekoosa Teachers



## Nekoosa State vs Local



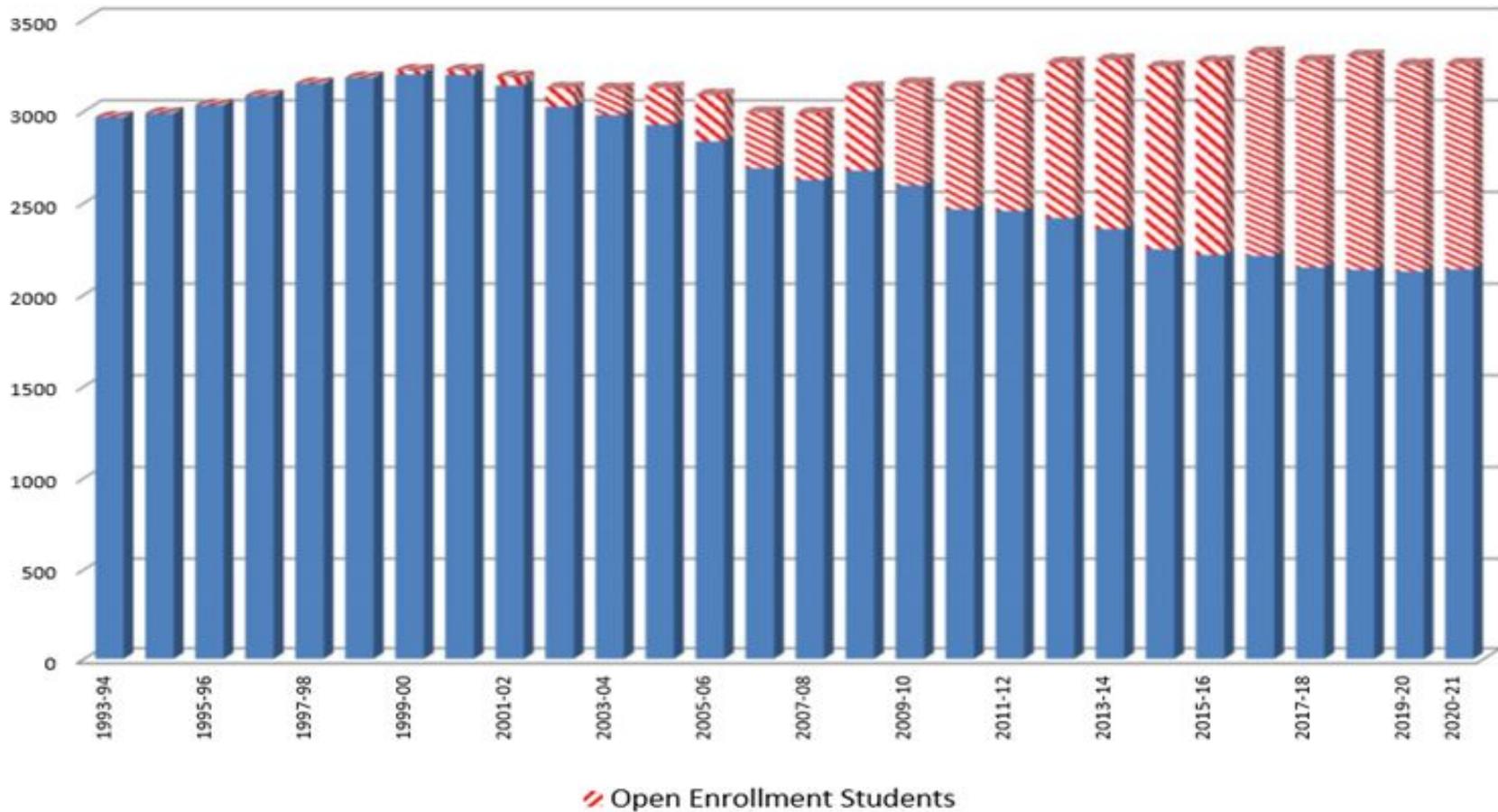
# Ashwaubenon District Profile

Decline in resident enrollment started in 2001. Landlocked district with no open lots for housing development, and an aging resident base that was staying in their homes. We have used open enrollment to fill open seats created by resident declines. Allow us to maintain programming and choice options for students. Projecting enrollment has been the most important factor in preparing for the resident reductions and determining how many and where to accept open enrollment.

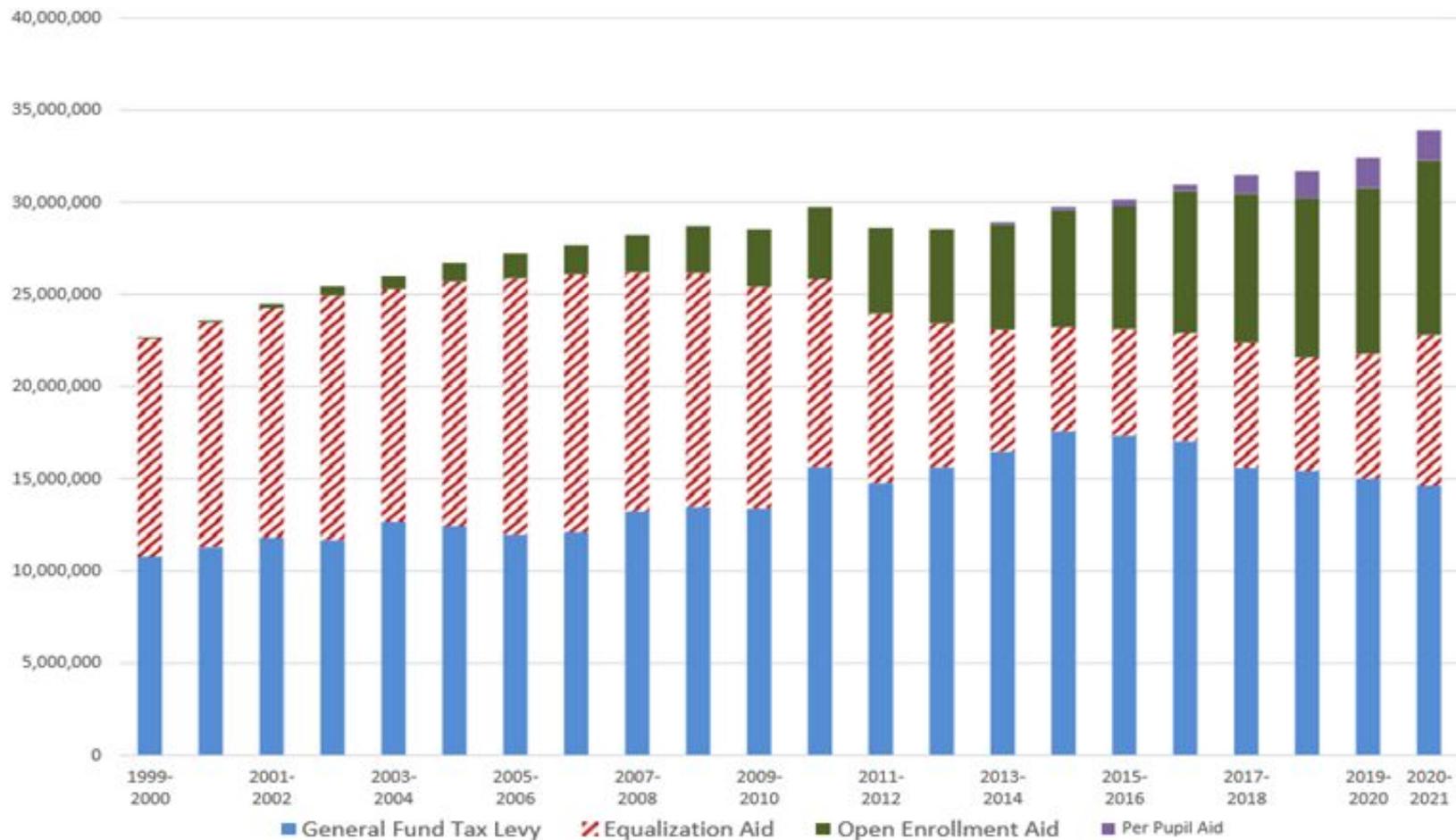
Each year we have made budget reductions ranging from \$200,000 - \$800,000 to provide a balanced budget with lower per student amount for Open Enrollment students. We have developed staffing formulas that help us maintain class size and avoid over staffing.

It is important to make ongoing budget reductions not delaying items that will need to be purchased the next year, creating a larger budget deficit in future years. Work with Staff so they understand the importance of attracting/retaining students

## Ashwaubenon School District Student Count



## General Fund Revenue Tax Levy, Equalization Aid, and Open Enrollment Aid



# Open Enrollment - Things to Consider

- Less funding per student than resident students
  - **Not the first year the student attends**
  - Example of funding for 1 student attending for the entire school year (assuming \$8,000 for Open Enrollment and \$10,500 for revenue limit):
    - 1st year - Open enrollment \$8,000 or Revenue Limit ( $\frac{1}{3}$  of 3 year average) \$3,500
    - 2nd year - Open enrollment \$8,000 or Revenue Limit ( $\frac{2}{3}$  of 3 year average) \$7,000
    - 3rd year - Open enrollment \$8,000 or revenue Limit \$10,500
  - When the student leaves the district
    - No remaining funding for open enrollment students
    - Resident student would give district  $\frac{2}{3}$  of Revenue Limit in the first year and  $\frac{1}{3}$  in the second year after the student leaves
- Need to make larger budget reductions to balance even with increase in open enrollment students

# Open Enrollment - Things to Consider

- Is Open Enrollment amount enough to cover incremental costs
  - if filling open seats
  - adding a grade level class?
- Revenue for open enrollment students is not locked in for the school year. If the student leaves during the year the tuition stops
- There are no declining enrollment protections for open enrollment students
- Plan for replacing graduating seniors. How many new open enrollment students do you need each year to maintain your revenue
- Timing of Open Enrollment revenue may cause more cash-flow borrowing

# Kettle Moraine District Profile



Learning Without Boundaries

Student Enrollment Decline 2006-2021 (past 15 years) **4,400 students to 3,620 students**

## Impact on Revenue Limit

**\$40,284,087** (2006-07) to **\$36,949,743** (2019-20) Referendum in April, 2020  
\$17 million in cumulative (annual) cuts by 2019-20

## Impact on Staffing

**443** FTE 2006-07 to **402** FTE in 2019-20 Slight Referendum **Adds** in 2020-21

Impact on Administrative Structure: 22% Reduction Teachers: 9% Reduction

Student Services/Special Education: 10% increase

# Key Challenges Present for Long Term Declining Enrollment Districts

- > Flat/declining revenue limit authority (even with per pupil growth)
- > Flat/declining state equalization aid & potentially higher tax levies
- > Decreased economies of scale (especially for neighborhood elementary schools)
- > Staff demographics change to a more experienced, more expensive, and older staff
- > Maintaining a positive culture can be challenging with layoffs, threats of closing buildings, and maintaining quality programs
- > Special Education challenges for FAPE in serving students in their neighborhood school in a cost effective way

# Making the “Right Cuts”

When you're facing declining enrollment, it is likely that enrollment is not coming back in the near future.

If you are losing recurring revenue, you need to make recurring cuts. Postponing technology, facilities, and infrastructure work is a one-time reduction. Balancing the budget requires reductions

EXAMPLE: Computer Replacement Cycle

# Every School District is Unique

Where you are in the state

How big you are

The Community you serve (political demographics)

Population/Student Density

Geographic Area of Your District

Questions?