

EDITORIALS

A bigger problem for schools

All state schools, but especially those in L.A. County (HBCSD is in LA County!), will have to grapple with declining enrollment.

The state Department of Finance just delivered a little noticed blow to Los Angeles schools. Its updated projections showed that the population of school-aged children is declining even faster than previously expected. The strike that's likely to start on Monday cannot overcome this kind of trouble.

L.A. County stands to lose more than 161,000 students over the next decade, the new analysis shows. According to Alexander Alvarado, the Finance Department's education demographer, the Los Angeles Unified School District generally bears more than half of the losses, which would mean an enrollment drop of 80,000-plus students. Each student lost represents thousands of dollars that won't flow to the district.

L.A. Unified enrollment has been declining for several years. (Hermosa Beach City School District's enrollment has declined by 128 students since 2014. HBCSD own reports predict the loss of another 48 students by 2020.) Though the teachers union focuses its blame on independent charter schools, which enroll more than 100,000 students within district boundaries, at least an equal portion has been lost to simple demographic change. And for too long, the district ignored the numbers. It actually increased its administrative staffing by about 20% during years of enrollment decline. And it continued funding the same level of retiree benefits for teachers even as the number of students fell.

The school-age population is declining statewide because of an aging population and lower birth rates, but far more quickly in L.A. County. In fact, though the county has one-fourth of the state's population, most of the student loss is occurring here. Alvarado suggests that the loss might be fed in part by movement to less expensive areas, such as the Inland Empire or Kern County, where enrollment is increasing.

The ongoing decline should be part of the planning for the district, for the teachers union and for charter schools as well. There will be too many seats for too few students, and steadily reduced revenue. Yes, fewer teachers will be needed for fewer students, but schools also have fixed costs for administration and facilities and will have less money to pay for them. (HBCSD gave away

or sold three of their six schools in the 1970s because enrollment decreased and HBCSD could not afford to maintain the unneeded schools.)

This is the backdrop for the current labor troubles in the district. One of the main issues is added staffing sought by United Teachers Los Angeles — more teachers, counselors, librarians and nurses — with the union's distaste for charter schools as an important subtext. UTLA sees charter schools as robbing the school district of funding that would pay for more staff. (By law, HBCSD would have to offer any under-used or unused campus to a charter school. A brand new, \$28M to \$34M, unused or underused North School campus for 510 students would have to be offered to a charter school. The charter school would be in direct competition with HBCSD for Hermosa students and for State funding.)

But even if the school district could stop charter-school growth, the enrollment picture would continue to be bleak, and one of the key issues isn't even under discussion right now: the district's heavy retiree-benefits obligations. How will the L.A. Unified of 2028, which is projected to have 450,000 students or fewer, pay for the tremendous obligations incurred when it had more than 700,000? Benefits aren't negotiated on the same cycle as pay, staffing and working conditions, which makes no sense. District finances encompass all of these factors; retiree obligations can't be left out as though they have no effect on other expenditures.

The charter sector also should be considering the ramifications of this longer-term picture. Charter schools are already scrambling to keep their enrollment numbers up. At least one charter school in the district closed last year because it couldn't attract enough students. Some charters that used to have waiting lists are running with reduced enrollment. Leaders of the highly regarded Alliance College-Ready Public Schools, a network of 25 charter schools that once had thousands of students on waiting lists, say that they were able to fill their seats this school year, but that doing so required more extensive marketing. As the district converts more of its schools to popular magnet campuses, the region might reach a saturation point for charters, which would make the financial future of individual charter schools less stable.

L.A. Unified needs better funding from the state — all California schools do. It needs more counselors and smaller class sizes. But neither the district nor the union can expect the state to lavish money on the schools as though they have 250,000 more students than they actually enroll. The state has been loath to intercede in local district affairs. But at the rate things are going, it will either get involved sooner, to establish reasonable policies around charter growth, per-pupil funding and retiree benefits, or be forced to get involved later, to bail the district out of insolvency.