

INDEPENDENT SCHOOL DISTRICT NO. 709
Duluth Public Schools

**In the Matter of the Proposed Closing
Of Nettleton Elementary School**

FINDINGS AND CONCLUSIONS,

A hearing on the proposed closing of Nettleton Elementary School ("Nettleton Elementary School") by Independent School District No. 709, Duluth Public Schools ("School District") was held on May 6, 2013, at 6:00 P.M. at Nettleton Elementary School.

The hearing was conducted pursuant to Minnesota Statutes, section 123B.51. The hearing was recorded by a court reporter. A transcript of the hearing has been provided to the members of the School Board. Exhibits were offered, received, and kept as part of the record of the hearing. All individuals wishing to speak and offer evidence in favor of, or in opposition to, the proposed closing were given the opportunity to testify during the hearing.

FINDINGS

1. Nettleton Elementary School, located at 108 East 6th Street in Duluth, sits on an approximate 3.34 acre site. Nettleton Elementary School is a three story, 90,024 square foot building. The building was constructed in 1905-24,953 square feet, 1945-12,539 square feet, 1987-52,532 square feet.
2. Nettleton Elementary School is currently configured as a K-5 program.
3. Nettleton Elementary School has an enrollment capacity of 713 students. This number is based on a classroom size of 23 students.
4. The School District currently operates two high schools, two middle schools and nine elementary schools.
5. In accordance with its long range facilities plan, the School District completed construction of a new/renovated elementary school building (at the existing Myers-Wilkins Elementary) within Nettleton Elementary School's enrollment area. This new facility will open in September of 2013.
6. The Myers-Wilkins Elementary School will have an enrollment capacity of 598 students.
7. In 2006, the School District commissioned a report from Dr. Hazel Reinhart. Her demographics report predicted a 10 year decline in the School District's enrollment of approximately 25%. The demographics report attributed this decline to shifting age demographics in the area served by the School District.

8. Since 2006, the School District's enrollment has been, on average, less than what the demographics report predicted.
9. Considering the enrollment capacity at the Myers-Wilkins Elementary School, the current enrollment of Nettleton Elementary School, the enrollment figures predicted in the demographics report, and the enrollment trend, it is not necessary to keep Nettleton Elementary School open to provide enrollment capacity for students. Closing Nettleton Elementary School would eliminate the excess use of a separate building.
10. During the 2011-2012 fiscal year, the total building operations cost (including utilities, supplies, and custodial labor) for Nettleton Elementary School was \$248,131.
11. The projected building operations cost for Myers-Wilkins Elementary School for the 2013-2014 fiscal year is \$225,000, a decrease in total cost of \$23,131.
12. During the 2011-2012 fiscal year, the total cost of employing administrators and school support personnel (such as nurses, nutritionists, media specialists, etc.) at Nettleton Elementary School was \$363,986
13. The projected cost of employing administrators and school support personnel for Myers-Wilkins Elementary School for the 2013-2014 fiscal year is projected to be roughly the same as 2012-2013.
14. Consolidating the two buildings into one allows the School District to streamline student transportation.
15. During the 2012-2013 school year, operating fewer school buildings has already saved the School District's general fund approximately \$5.2 million. These savings have primarily been used to offset potential deficits.
16. In order to consolidate Nettleton Elementary School into the new Myers-Wilkins Elementary School and realize the benefits associated with student transportation, the School District must first close Nettleton Elementary School.
17. Nettleton Elementary School building and surrounding land has been valued at approximately \$480,000.
18. If the School District closes Nettleton Elementary School, it will be able to sell Nettleton Elementary School building and surrounding land to reduce the School District's bonded debt by the sale value.
19. If the School District does not sell Nettleton Elementary School building and/or surrounding land, it will not be able to use the proceeds from such sale to pay down the School District's bonded debt. Instead, the anticipated value of that sale will be drawn from either or both of: (1) an additional tax levy; or (2) a reduction from the School District's general fund.

20. If the School District closes, but does not sell, Nettleton Elementary School, it will annually incur an anticipated \$40,000 plus inflation and ongoing maintenance and repair costs in order to keep Nettleton Elementary School in a serviceable and minimally preserved condition.
21. Closing Nettleton Elementary School permits the School Board to later choose whether to incur the annual cost of approximately \$40,000 in case of future need for the existing facility, or sell Nettleton Elementary School building and surrounding property to eliminate this cost and pay down the School District's bonded debt. The School District loses these options if it does not close Nettleton Elementary School.
22. Closing Nettleton Elementary School will not necessitate the non-renewal, termination, or layoff of any classroom teacher. Teachers currently assigned to Nettleton Elementary School will be reassigned to other teaching positions, based on enrollment, and in accordance with the provisions of the applicable collective bargaining agreement and/or School District policies.
23. Programs currently available at Nettleton Elementary School will be available at Myers-Wilkins Elementary School.
24. If Nettleton Elementary School is closed, all students currently attending Nettleton Elementary School will attend the new and renovated Myers-Wilkins Elementary School starting in the 2013-2014 school year.
25. The School District has published notice of the school closing hearing in the official newspaper for two weeks before the hearing.
26. At the hearing, the School District administration presented documentary evidence regarding the proposed closure of Nettleton Elementary School. Specifically, the following documents were entered as exhibits:
 - a. An Educational Adequacy Report completed in connection with the School District's Long Range Facilities Plan;
 - b. A Facility Assessment Report completed in connection with the School District's Long Range Facilities Plan;
 - c. A Property Value Report completed in connection with the School District's Long Range Facilities Plan;
 - d. A Solutions Options Report completed in connection with the School District's Long Range Facilities Plan;

- e. The Review and Comment Documents that the School District submitted to the Minnesota Department of Education in connection with its Long Range Facilities Plan; and
- f. The Demographic Report from former State Demographer, Dr. Hazel Reinhart.

The School Board has fully considered this evidence prior to reaching any conclusion or adopting any resolution regarding the closure of Nettleton Elementary School.

- 27. At the hearing, members of the public were allowed to present testimony for and against the proposed closure of Nettleton Elementary School. The School Board has considered all comments by members of the public prior to reaching any conclusion or adopting any resolution regarding the closure of Nettleton Elementary School.

CONCLUSIONS

- 1. The closure of Nettleton Elementary School is necessary and practicable.
- 2. The School District has complied with the procedural requirements of Minnesota Statutes, section 123B.51, subdivision 3, for the purpose of closing Nettleton Elementary School.