School Board Meeting: November 24, 2008

Subject: Enrollment Projection Report

Presenter: Tina Burkholder

SUGGESTED SCHOOL BOARD ACTION:
For Board Review Only.

DESCRIPTION:
Review of K-12 Enrollment as of Oct. 1st
Increased enrollment continues for Buffalo-Hanover-Montrose schools for the 2008-2009 school year with 76 additional students (+1.3%) from last year. The five-year growth average is currently 107 students/year or 2.0%. Total enrollment growth for the past five years is 536 students or 10.3%.

The enrollment as of October 1st was 5,753*. The asterisk by the number means that this number will be different from the official October 1st seat count from the Minnesota Department of Education. For internal purposes, students considered post-secondary or shared time are excluded from our internal monthly enrollment reports. Once the official October 1st enrollment report is on MDE's website, the enrollment number could be 20-30 students higher.

Open Enrollment History
The district typically loses more students than it gains in open enrollment. The downward trend continued, and the district experienced a net loss of 86 students through open enrollment as of October 1, 2008. The district lost the largest portion of open enrollment students to Rockford and Delano (-175) and gained the most open enrollment students from St. Michael-Albertville (+93). If we take a look at individual grade levels, grades 7th through 10th showed net gains in open enrollment, which is an improvement from last year.

Fall vs. Spring Enrollment
Historically, the district's K-12 enrollment decreases from October 1st to June 1st. Most of the enrollment drops happen in grades 9-12. The district has had only two years of enrollment growth during the school year over the last 18 years (2000-01 and 2001-02). After seeing the November 1st enrollment report, I suspect this trend will continue.

Review of 2008-09 Enrollment Projection
The 2008-09 enrollment projection overestimated the enrollment of 5,797 by 44 students. As I mentioned earlier, the October 1 counts (5,753) do not include post-secondary or shared time students. By including the post-secondary or shared time students, the 2008-2009 enrollment projection is pretty close.

2009-10 Enrollment Projection

The district uses the schoolfinances.com enrollment projection model. In projecting enrollments, there are three different data sets you can use: October 1st MARSS submission, end of year ADM, or district data. The end of year ADM data is a more conservative approach and is typically used for financial forecasts. The district data option is new this year and allows schools to enter enrollment history taken at any time. For example, this option could be used by entering in our enrollment history that excludes the post-secondary or shared time students. Similar to last year, I am using the October 1st MARSS submission data.

The next step is to project kindergarten students. There are four different methods to pick from: hold constant, linear projection, county birth, and zip code method. In reviewing the Wright County births, the overall number of births decreased 2% whereas the number of births in the Buffalo-Hanover-Montrose zip codes increased 4.2%. For the next three years, the number of births in Wright County grows each year. Under the zip code method, there also is a growing trend with the exception of 2006. During that year, the percentage decrease in the zip code method offsets the percentage increase in the Wright County method. Between the Wright County birth method and zip code birth method, I haven't seen the kindergarten enrollment history favor one method over the other. In the end, I chose the linear projection method that has a slow and steady growth of kindergarten students. The linear projection method was also selected last year.

Now we start looking at K-12 enrollment projections by looking at a variety of methods.

Cohort survival method uses a ratio computed for each grade from the previous year. This is accomplished by dividing the current enrollment in one grade by the previous grade in the previous year. Cohort ratios are calculated using 1-7 years of enrollment history. For example, a cohort ratio using five years of enrollment history would produce a ratio of the enrollment that occurred five years ago to the enrollment that occurred six years ago. In rapid growth, this methodology may produce projections that are too optimistic.

Weighted cohort survival method uses a ratio computed for each grade level from the previous year as well as by dividing the current enrollment in one grade by the previous grade in the previous year. The ratios are weighted to bias the prediction in favor of the most recent year's results. In rapid growth, this methodology may also produce overly optimistic results.

Numerical survival method uses a simple grade to grade progression without calculating a ratio. A multiple year average of the enrollment change is added or subtracted to the enrollment in a grade to project future enrollment. In rapid growth, this model may produce projections that are too conservative.

Weighted numerical survival method uses grade to grade progressions like the numerical survival method, but also employs a weighted average to give greater influence to recent year's results. In rapid growth, this methodology dampens the projections slightly.

Merged method is a combination of all previous methods.

There are seventeen different variations to pick from. You can examine a combination up to five different models at one time. The following five were selected for detailed analysis: 3 year weighted average, 4 year weighted average, 4 year weighted numerical, 4 year numerical, and merged. From the 5 methods, I selected the 4 year numerical method. That model predicts a total K-12 enrollment of 5,890 students, an increase of 137 students from this year. Some of the factors considered when selected a method were the current housing market, census report, gas prices, Wright County births, and budget reductions.

The future enrollment projections are portrayed by grade grouping. Since BHM schools is a growing district, we should be concerned about school building capacities:

BHS – 1,935	PHX – 64
BCMS – 1,375	Elementary – 3,200

The building capacities listed are optimum capacities and can be stretched a little bit. The enrollment projections raise some concerns for the middle school for the school year 2012-13 and beyond. Should another middle school be built, or should we reconfigure the grade levels at existing buildings?

Finally, the weighted average daily membership (WADM) projection shows steady growth in student aid. Keep in mind the district's enrollment history tends to decline from October 1st to June 1st. Slightly more conservative numbers will be used in the January financial forecast.

Attachments:

Attachment 1: Enrollment Nov08