

*Denton
Independent
School
District*



Quarterly
Report
2Q14

*Learn from Yesterday...
Understand Today...
Plan for Tomorrow*



TEMPLETON
DEMOGRAPHICS



Economic Conditions

- **Texas remains a top state in job growth** from June 2013 to 2014, with a rate of 3.3%, **1.5 percentage points higher** than the national average.
- **Texas** has added far more “good jobs” than the rest of the nation. The **upper two quartiles** accounted for **55% of new job growth** since 2000. (Federal Reserve Bank of Dallas)
- The state's unemployment rate has been at or below the national rate for **7 consecutive years**. (State Comptrollers Office)
- Unemployment rates - Texas Labor Market Information (June 2014)
 - U.S. 6.3%
 - Texas 5.5%
 - DFW MSA 5.4%
 - Denton County 4.9%
 - Denton 4.6%
- In May 2014 Texas issued 8,614 single-family housing permits. This is a **6.5% increase from May of 2013**. **Multi-family permits are up 60.1%** from the previous year. (Real Estate Center at Texas A&M)
- While new home starts under \$150,000 have dropped 6% since 2012, **starts of homes priced more than \$300,000 increased 13.4% in DFW**. (Metrostudy)





Top 15 Job Growth MSAs

Ranked by Total Annual Job Growth– May 2014

Rank	MSA	Total Employment	Job Gains	% Change
1	Dallas-Fort Worth-Arlington TX	3,196,500	113,100	3.7%
2	Los Angeles-Long Beach-Santa Ana CA	5,671,600	111,900	2.0%
3	New York-Northern New Jersey-Long Isla	8,839,400	111,200	1.3%
4	Houston-Baytown-Sugar Land TX	2,883,000	93,300	3.3%
5	Miami-Fort Lauderdale-Miami Beach FL	2,417,900	67,900	2.9%
6	Atlanta-Sandy Springs-Marietta GA	2,465,200	59,400	2.5%
7	San Francisco-Oakland-Fremont CA	2,152,400	48,000	2.3%
8	Seattle-Tacoma-Bellevue WA	1,825,100	40,600	2.3%
9	Orlando-Kissimmee-Sanford, FL	1,099,800	36,100	3.4%
10	Denver-Aurora CO	1,329,000	34,800	2.7%
11	San Jose-Sunnyvale-Santa Clara CA	991,700	32,200	3.4%
12	Austin-Round Rock-San Marcos, TX	895,300	31,000	3.6%
13	Riverside-San Bernardino-Ontario CA	1,254,600	29,300	2.4%
14	San Diego-Carlsbad-San Marcos CA	1,342,700	29,300	2.2%
15	Portland-Vancouver-Hillsboro, OR-WA	1,066,600	29,100	2.8%
21	San Antonio-New Braunfels, TX	931,300	23,700	2.6%

Source: Metrostudy - MetroUSA

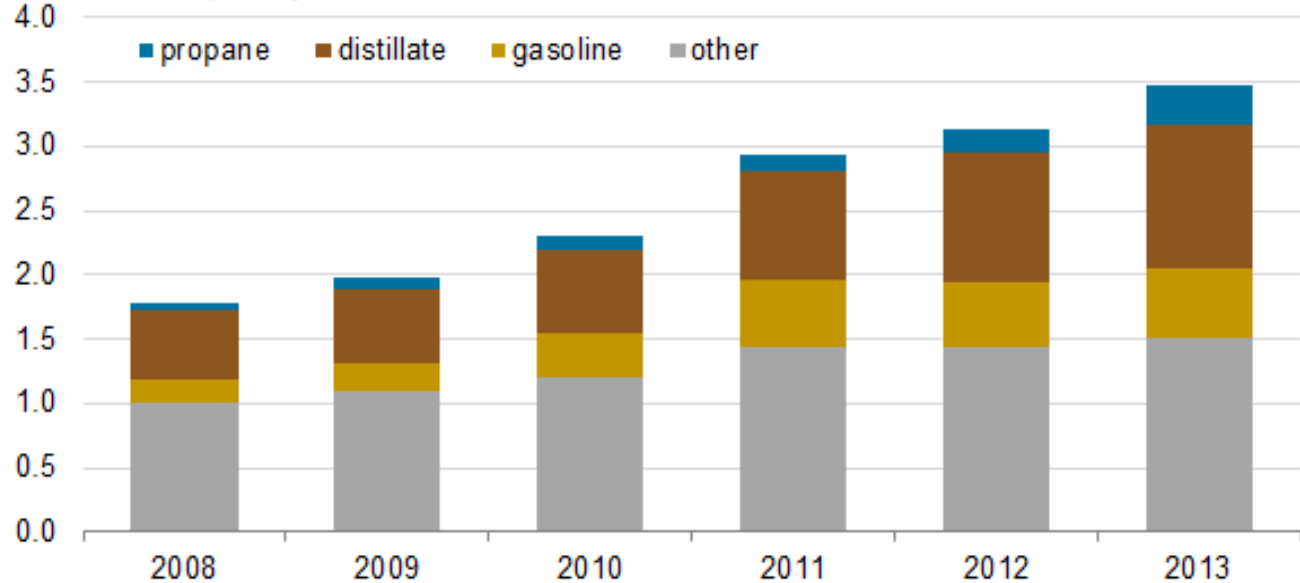




Texas Economic Overview

Texas Energy is Key to Growth

Average annual petroleum product exports
million barrels per day



- Texas is home to the two largest producing oil reserves in the nation.
- The U.S. has become the world's largest oil producer, passing Saudi Arabia and Russia.
- U.S. output is more than 11 million barrels per day in the first quarter of 2014, according to the International Energy Agency. They predict the U.S. could produce 19 million per day by 2019.
- Texas is responsible for 36% of U.S. oil production, making it the number one oil producing state.





Local Economic Overview

Toyota Headquarters Relocation

- Toyota is relocating its headquarters from Southern California to Plano
- Consolidating operations into one 70-acre campus
- By 2018 expected to have 3,650 full-time employees
- Average salary will be \$104,000



USAA IT Operations Center

- Insurance company USAA announced a new IT operations center in Plano
- \$31 million facility which will house 680 new employees
- Leased two buildings totaling 238,000 square-feet
- New jobs will be phased in through 2018





DFW Economic Overview

Annualized Job Creation

(11,550 June 2014 year over year)

3.3%

-1.3%

Unemployment

(5.4% June 2014 year over year)

Texas Oil & Gas Rig Count

(891 June 2014)

6.0%

Average Home Price

(\$240,651)

7%

-12%

Existing Home Inventory

(3.0 Month's Supply)





DFW Housing Market

Multiple Listing Service – YTD SFD Activity & Inventory

Jun-14

**%Change
YTD Sales**

43,142

-

1%

Average Price

\$240,651

7%

Median Price

\$183,000 8%

Listings

22,333 - 6%

DOM

44 -12%

Months of Supply

3.0 -12%



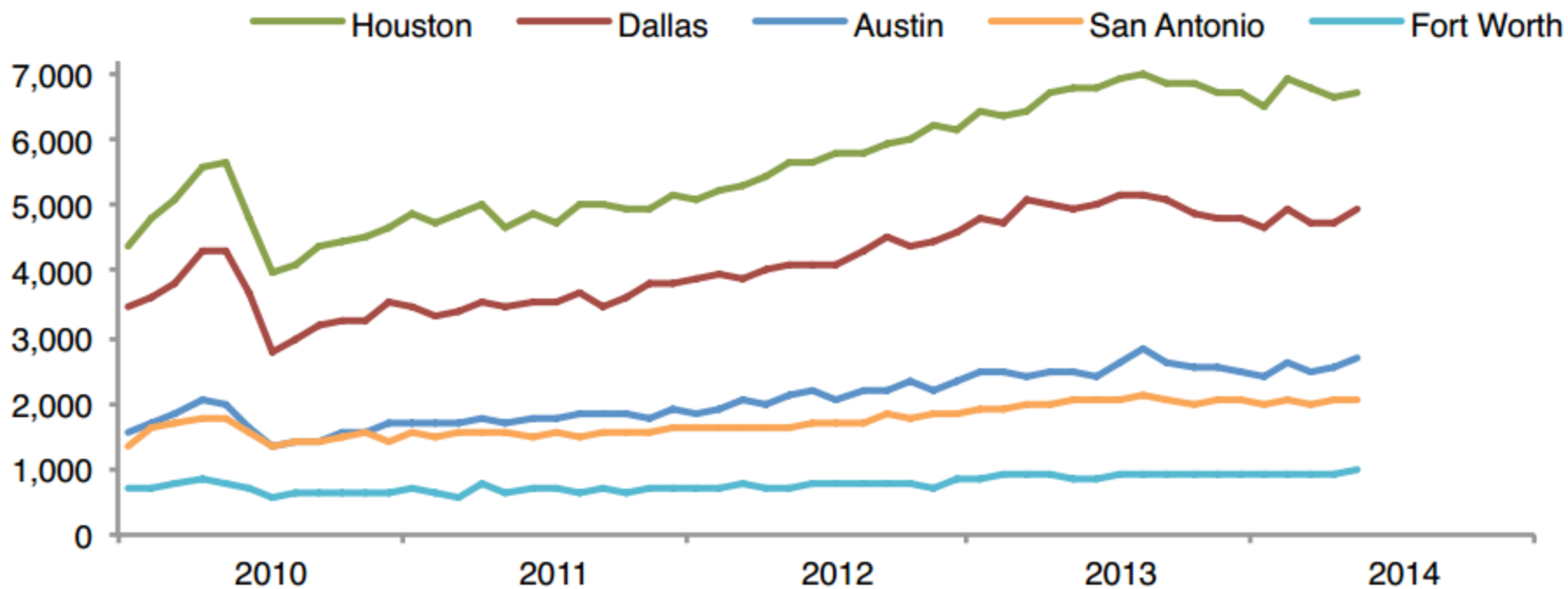


DFW Housing Market

Existing-Home Sales by region

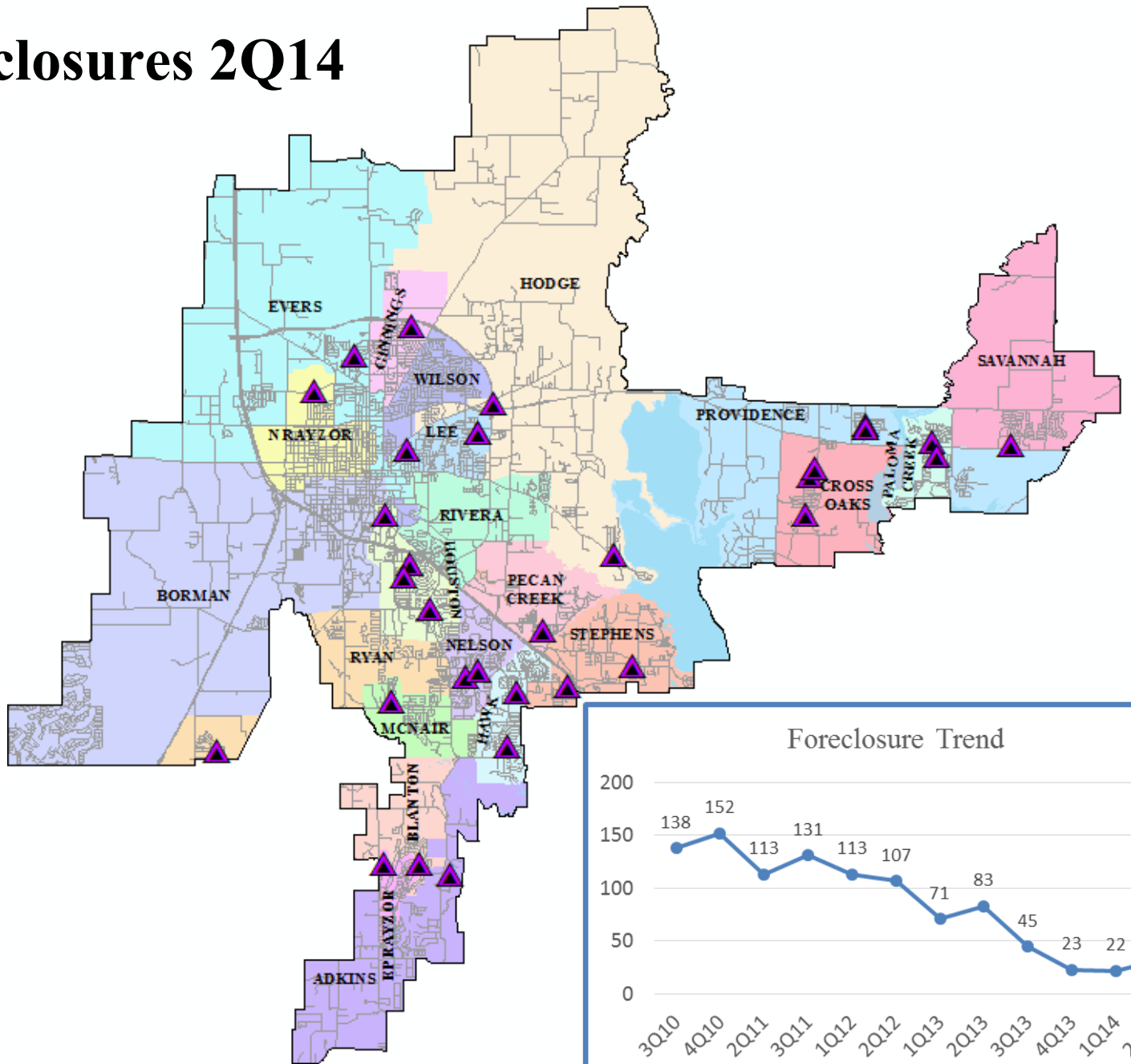
Existing-Home Sales

Existing-home sales, seasonally adjusted





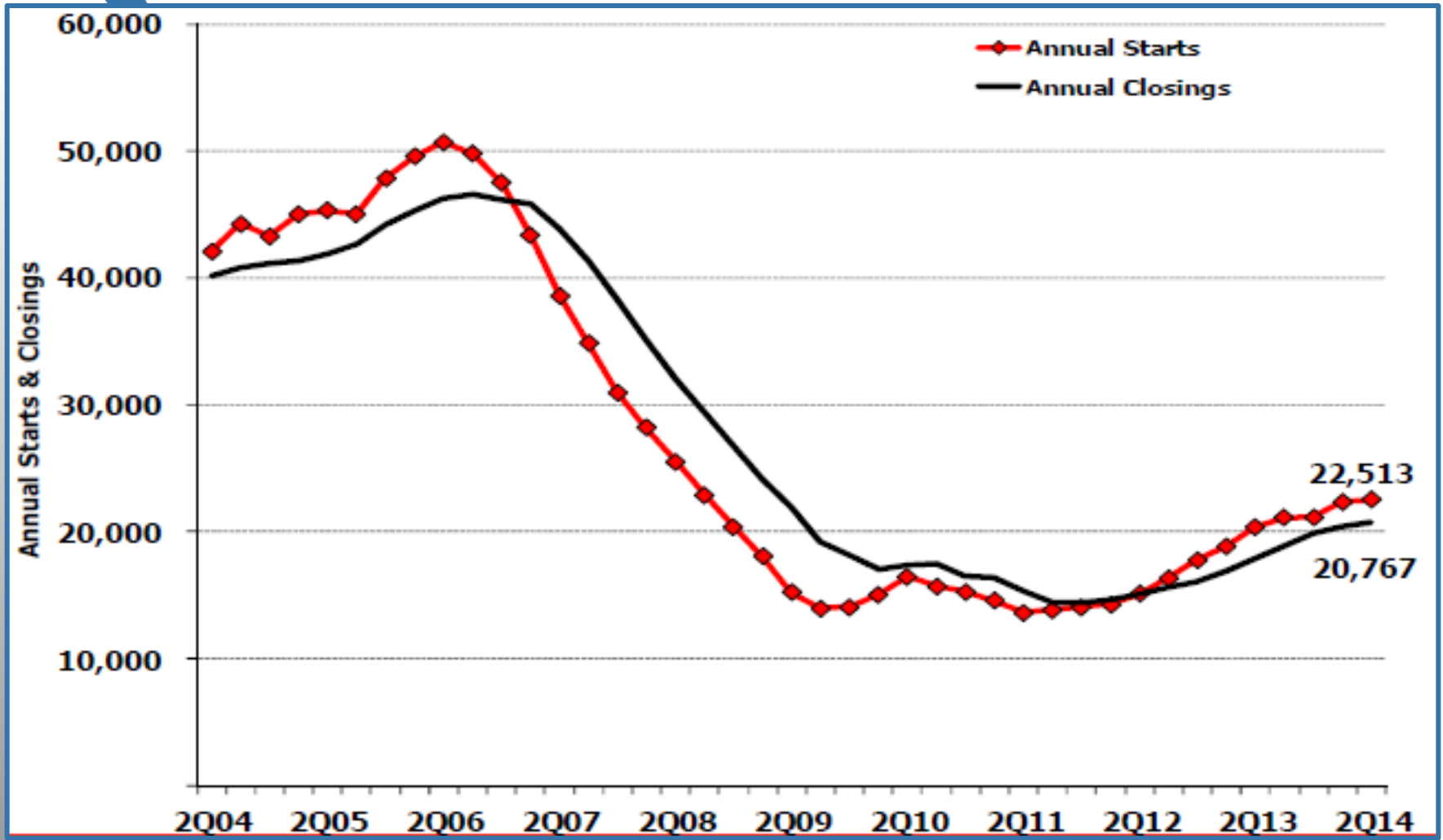
Foreclosures 2Q14





DFW Housing Market

Single Family Homes: 2nd Quarter Starts & Closes





DFW New Home Ranking Report

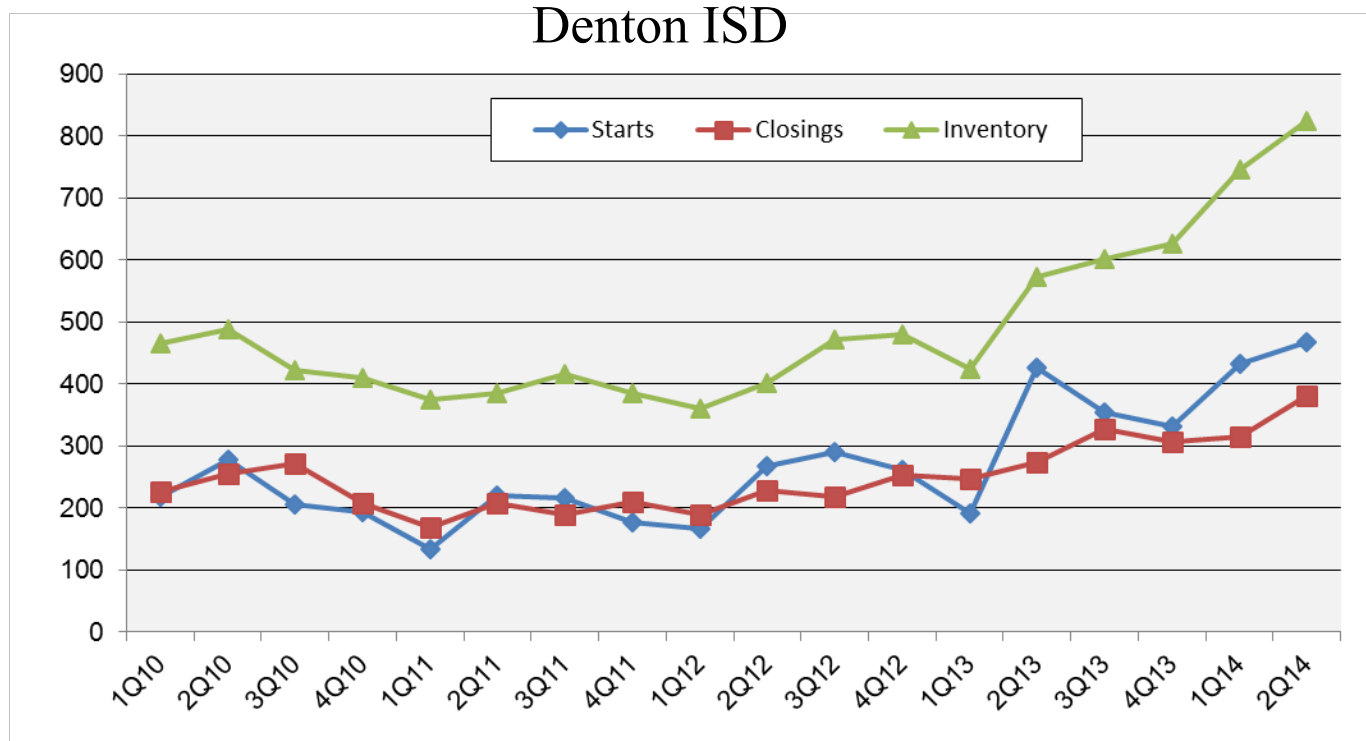
ISD Ranked by Annual Closings – 2Q14

Rank	District Name	Annual Starts	Annual Closings	VDL	Future
1	Frisco ISD	2,830	2,876	4,294	7,765
2	Denton ISD	1,587	1,332	2,476	14,952
3	Northwest ISD	1,256	1,252	1,658	21,886
4	Dallas ISD	877	982	2,105	7,298
5	Prosper ISD	1,175	965	2,289	19,393
6	Keller ISD	944	852	1,467	2,938
7	Lewisville ISD	896	803	1,683	3,056
8	Eagle Mtn. - Saginaw ISD	782	774	1,512	19,758
9	McKinney ISD	628	638	1,151	6,917
10	Mansfield ISD	561	607	831	5,114
11	Rockwall ISD	629	586	1,888	7,653
12	Allen ISD	654	574	836	1,271
13	Little Elm ISD	512	535	891	6,143
14	Forney ISD	480	450	1,075	11,515
15	Burleson ISD	423	416	665	3,762
16	Wylie ISD	405	391	679	4,868
17	Crowley ISD	437	368	1,569	8,196
18	Plano ISD	399	358	864	1,588
19	Midlothian ISD	406	351	815	15,093
20	Fort Worth ISD	339	349	952	4,465





New Housing Activity 2Q14



Starts	2009	2010	2011	2012	2013	2014
1Q	128	218	133	167	191	432
2Q	195	279	221	267	427	468
3Q	271	206	217	290	355	
4Q	239	194	177	262	331	
Total	833	897	748	986	1304	900

Closings	2009	2010	2011	2012	2013	2014
1Q	242	226	168	189	248	315
2Q	286	256	208	228	273	381
3Q	249	272	189	218	327	
4Q	315	208	210	254	307	
Total	1092	962	775	889	1155	696

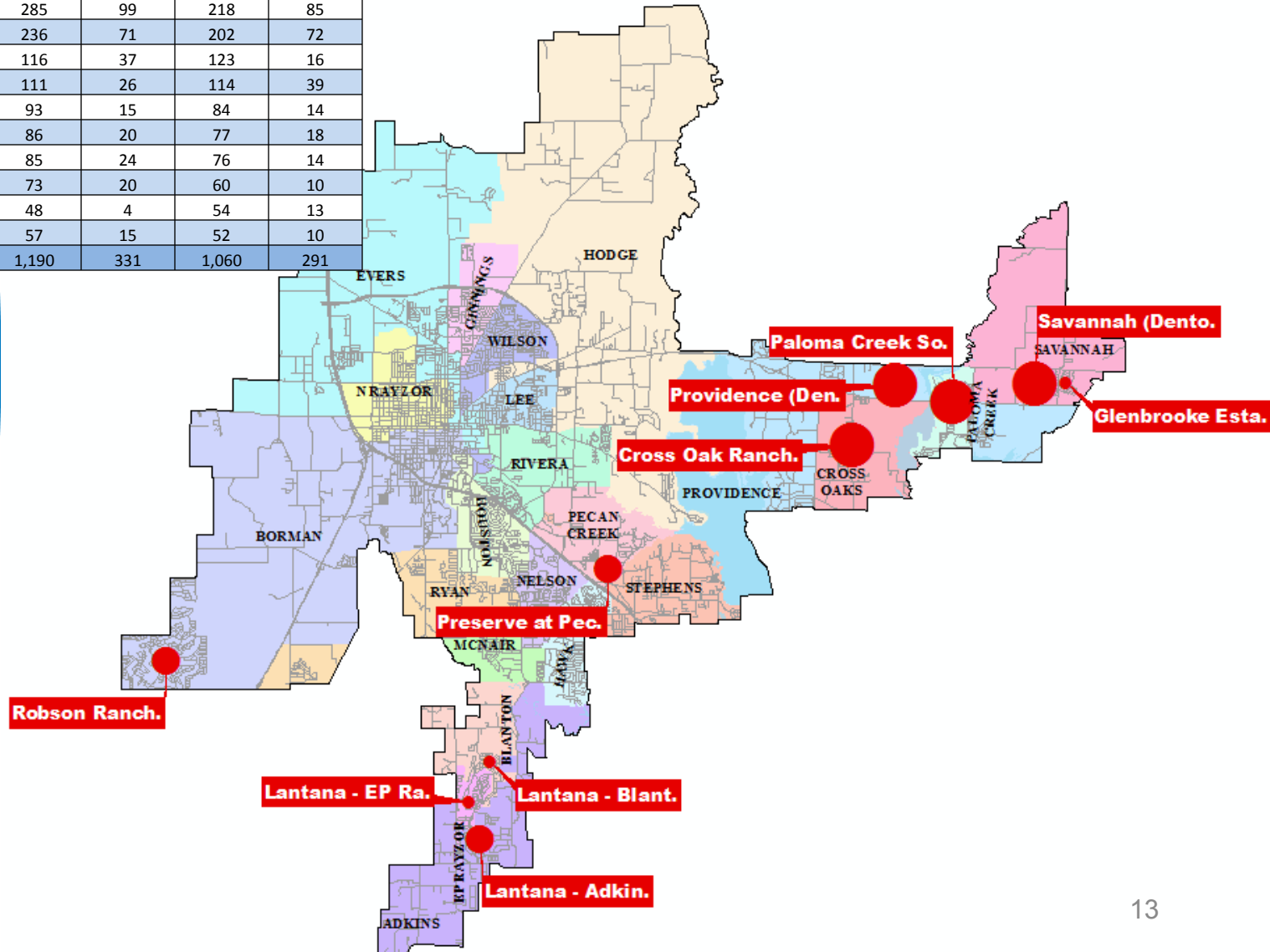
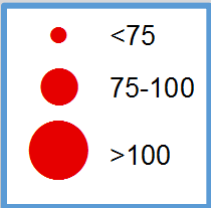
- 2Q14 starts are up 34 over a strong 1Q14 starts, the highest quarter since 2007
- Closings were also the highest quarter since 2007, up 66 over last quarter
- Inventory now exceeds 6 month supply





Annual Closing Distribution 2Q14

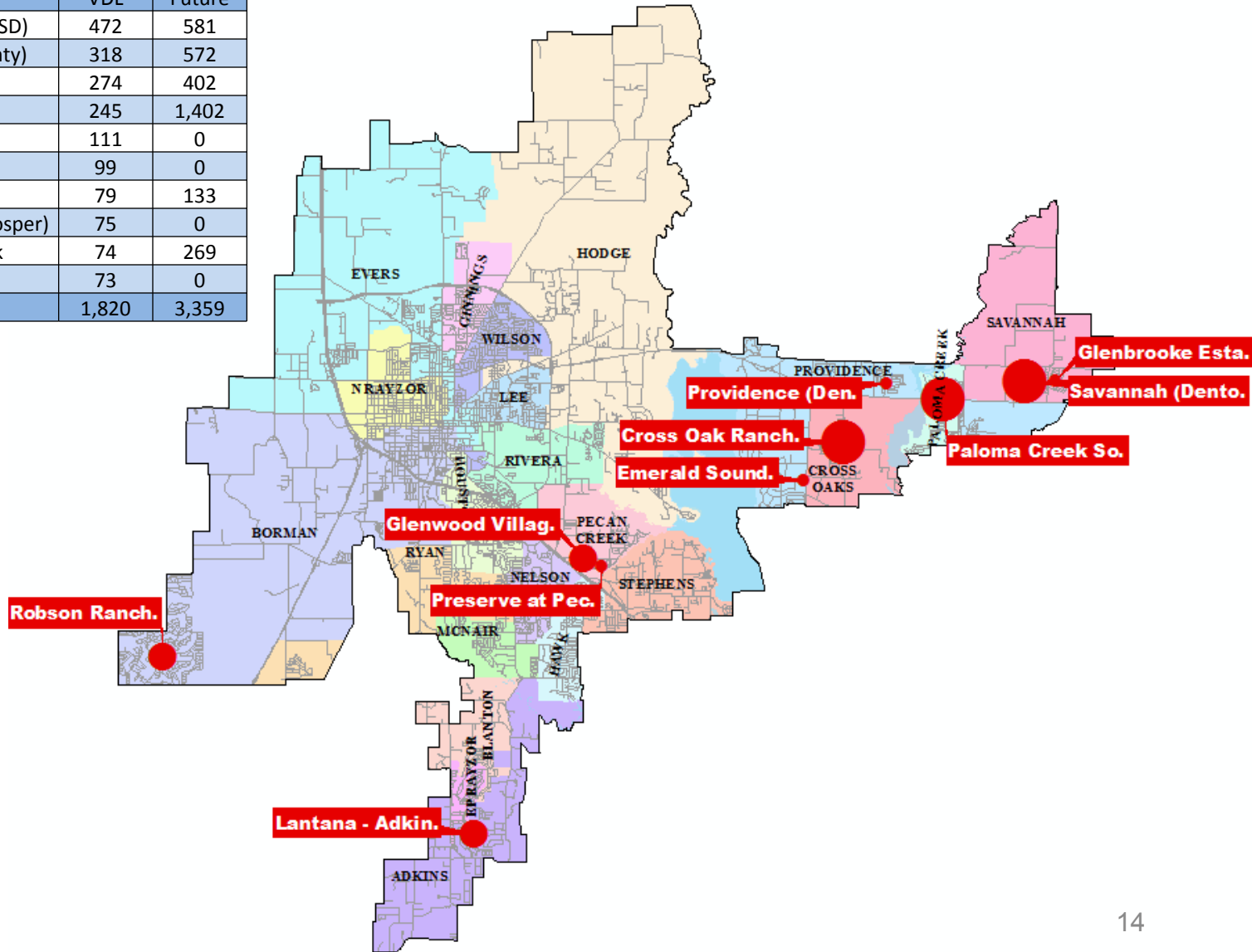
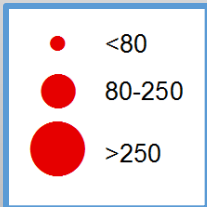
Top 10 Subdivisions - 2Q14 (Ranked by Annual Closings)					
Rank	Subdivision	Annual Starts	Quarter Starts	Annual Closings	Quarter Closings
1	Paloma Creek South (DISD)	285	99	218	85
2	Cross Oak Ranch	236	71	202	72
3	Savannah (Denton County)	116	37	123	16
4	Providence (Denton Co)	111	26	114	39
5	Lantana - Adkins	93	15	84	14
6	Robson Ranch	86	20	77	18
7	Preserve at Pecan Creek	85	24	76	14
8	Lantana - Blanton	73	20	60	10
9	Glenbrooke Estates (Prosper)	48	4	54	13
10	Lantana - EP Rayzor	57	15	52	10
TOTALS		1,190	331	1,060	291





Vacant Developed Lots 2Q14

Top 10 Subdivisions - 2Q14 (Ranked by remaining VDL)			
Rank	Subdivision	VDL	Future
1	Paloma Creek South (DISD)	472	581
2	Savannah (Denton County)	318	572
3	Cross Oak Ranch	274	402
4	Robson Ranch	245	1,402
5	Lantana - Adkins	111	0
6	Glenwood Village	99	0
7	Providence (Denton Co)	79	133
8	Glenbrooke Estates (Prosper)	75	0
9	Preserve at Pecan Creek	74	269
10	Emerald Sound	73	0
TOTALS		1,820	3,359

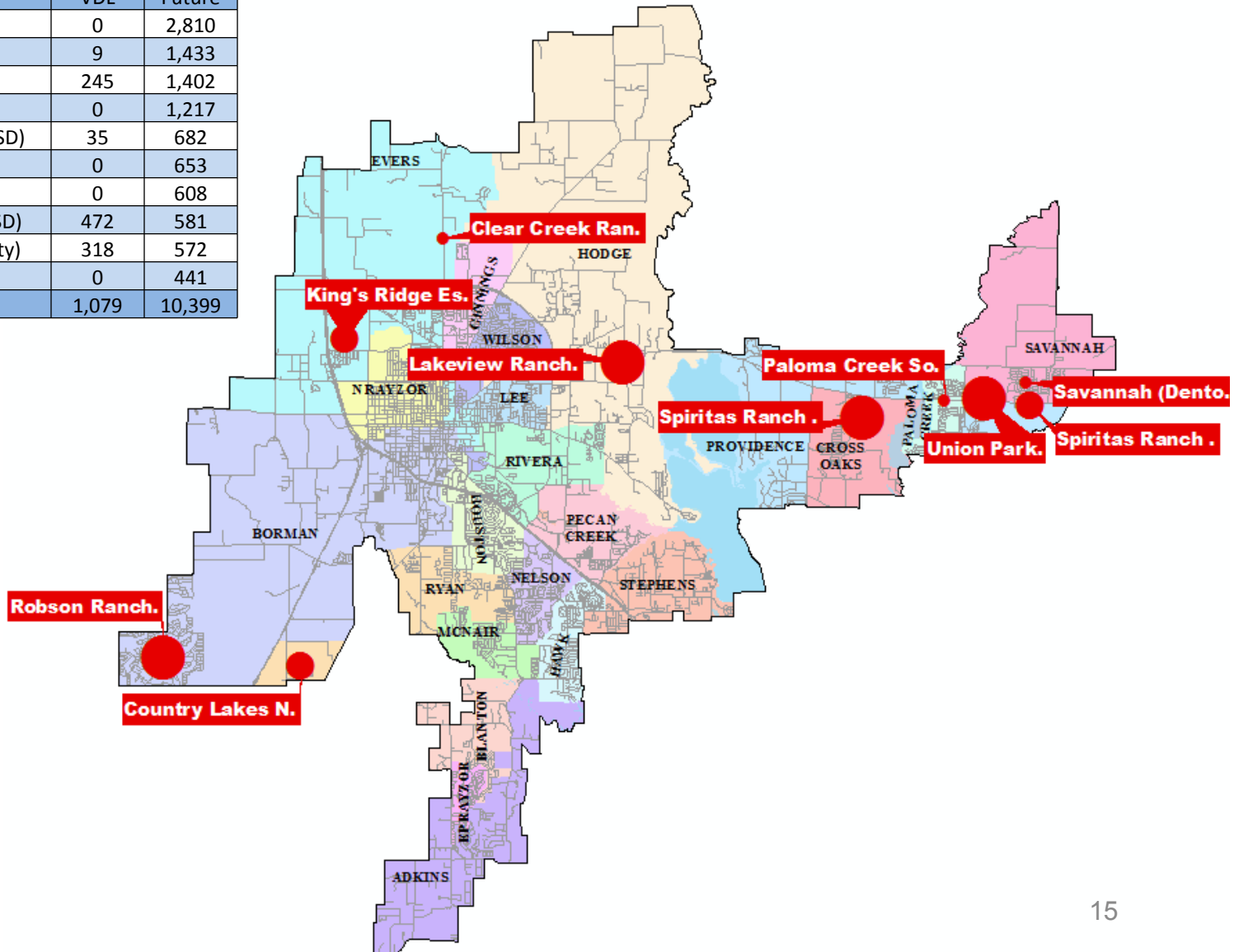
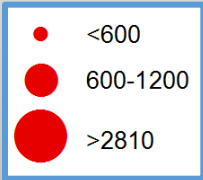




Future Lots 2Q14

Top 10 Subdivisions - 2Q14 (Ranked by Future Inventory)

Rank	Subdivision	VDL	Future
1	Union Park	0	2,810
2	Lakeview Ranch	9	1,433
3	Robson Ranch	245	1,402
4	Spiritas Ranch West	0	1,217
5	Country Lakes North (DISD)	35	682
6	King's Ridge Estates	0	653
7	Spiritas Ranch East	0	608
8	Paloma Creek South (DISD)	472	581
9	Savannah (Denton County)	318	572
10	Clear Creek Ranch	0	441
TOTALS		1,079	10,399








Overall Housing Data

By Elementary Attendance Zone

Elementary	Annual Starts	Quarter Starts	Annual Closings	Quarter Closings	Inventory	Vacant Dev. Lots	Future
ADKINS	97	15	89	16	41	121	3
BLANTON	80	25	61	11	63	70	0
BORMAN	86	20	77	18	44	245	1,645
CROSS OAKS	236	71	202	72	106	274	1,619
EP RAYZOR	57	15	52	10	41	62	56
EVERS	27	10	35	9	13	62	1,306
GINNINGS	0	0	1	0	0	0	378
HAWK	5	3	0	0	5	11	107
HODGE	1	0	3	0	1	10	2,139
HOUSTON	22	3	28	12	12	66	287
LEE	80	31	55	17	32	24	412
MCNAIR	0	0	0	0	0	0	65
N RAYZOR	0	0	0	0	0	0	100
NELSON	22	6	14	8	14	53	6
PALOMA CREEK	286	99	225	85	125	475	598
PECAN CREEK	191	60	120	26	125	214	473
PROVIDENCE	167	41	148	55	75	244	741
RIVERA	0	0	0	0	0	0	247
RYAN	52	27	32	11	34	104	1,151
SAVANNAH	164	41	177	29	83	393	3,503
STEPHENS	14	1	13	4	10	48	71
WILSON	0	0	0	0	0	0	45
Grand Total	1,587	468	1,332	383	824	2,476	14,952

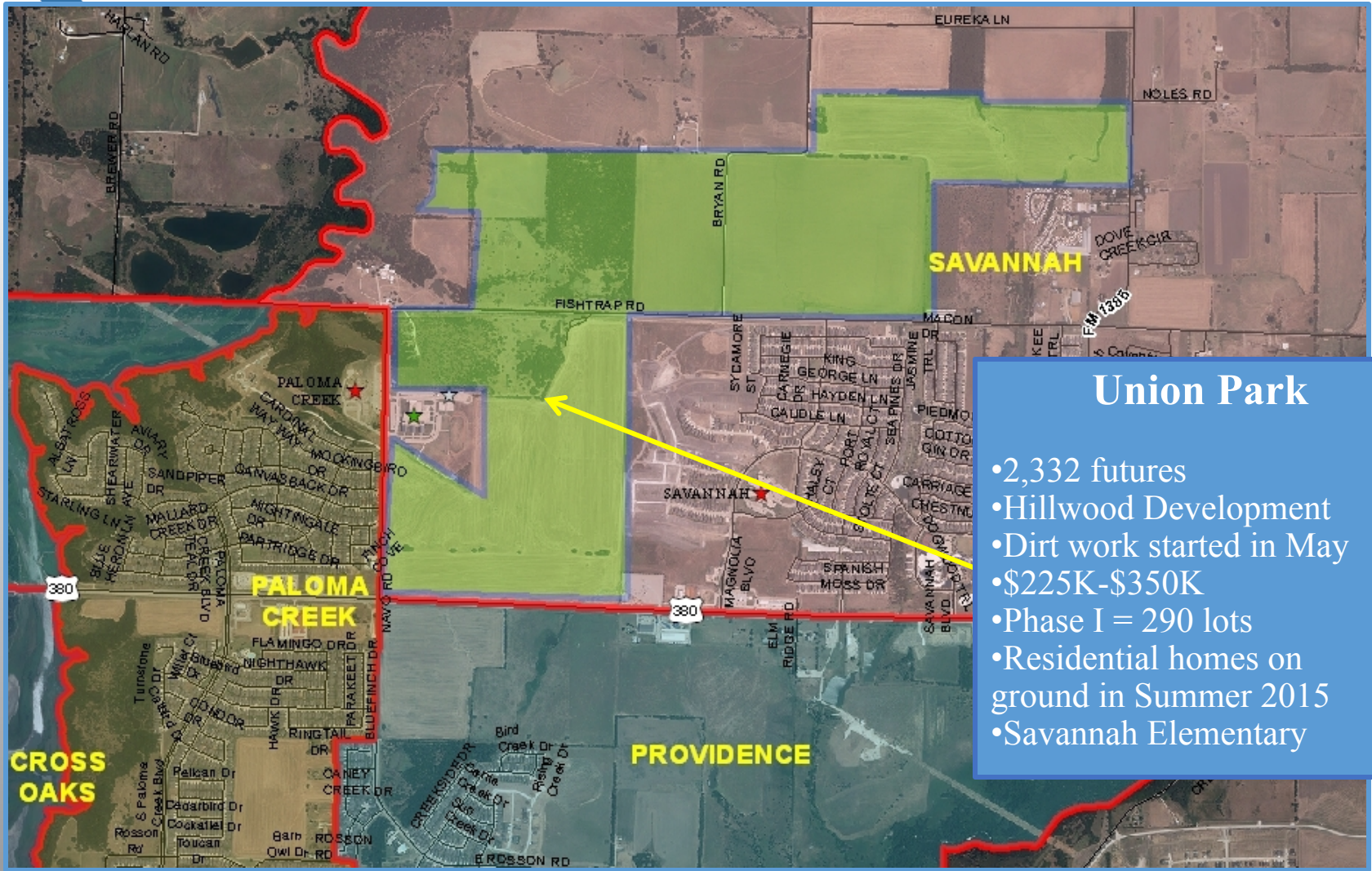
 Highest activity in the category
 Second highest activity in the category
 Third highest activity in the category





Active Subdivision

Union Park



Union Park

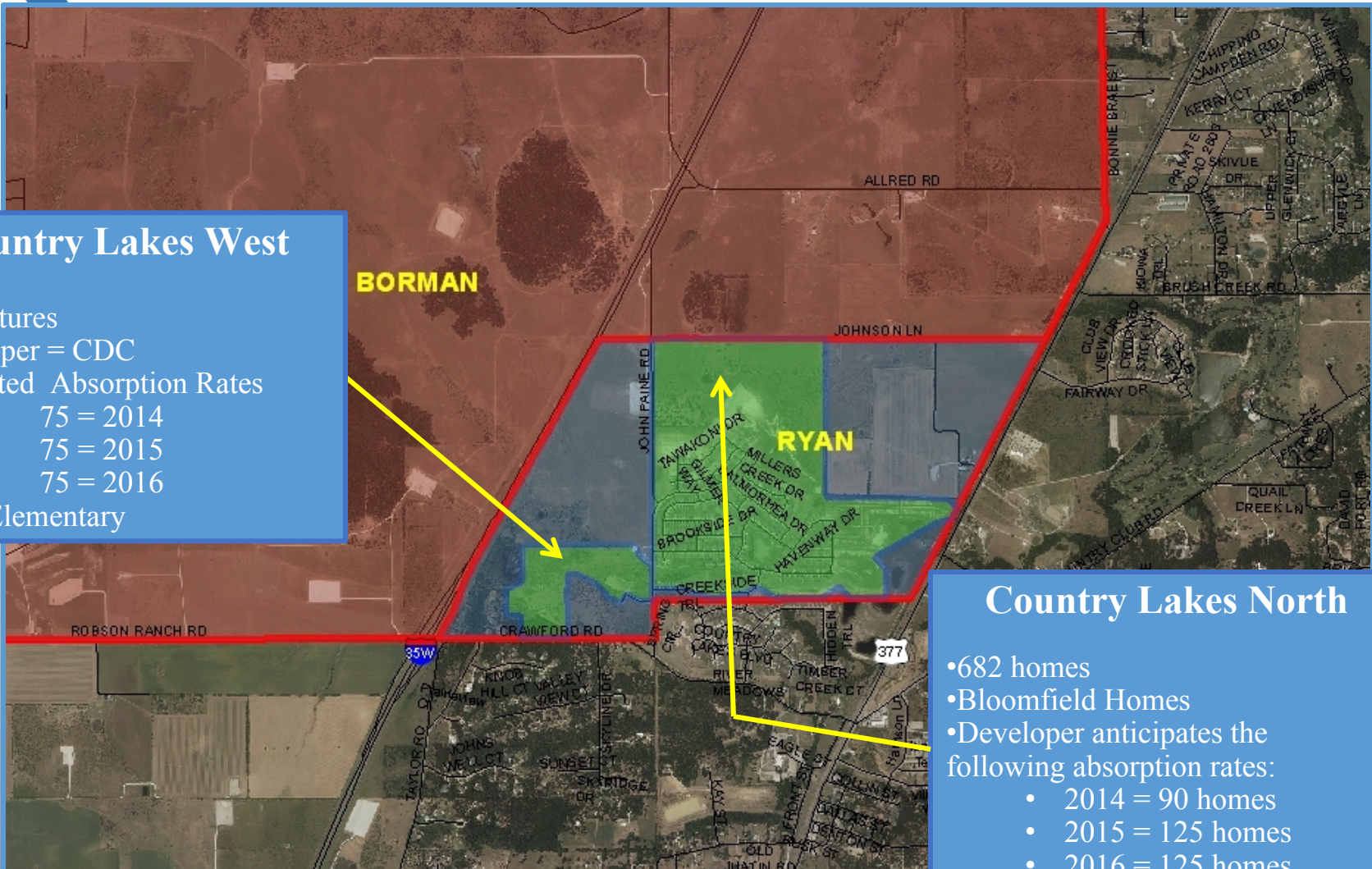
- 2,332 futures
- Hillwood Development
- Dirt work started in May
- \$225K-\$350K
- Phase I = 290 lots
- Residential homes on ground in Summer 2015
- Savannah Elementary





Active Subdivision

Country Lakes North



Country Lakes West

- 227 Futures
- Developer = CDC
- Estimated Absorption Rates
 - 75 = 2014
 - 75 = 2015
 - 75 = 2016
- Ryan Elementary

Country Lakes North

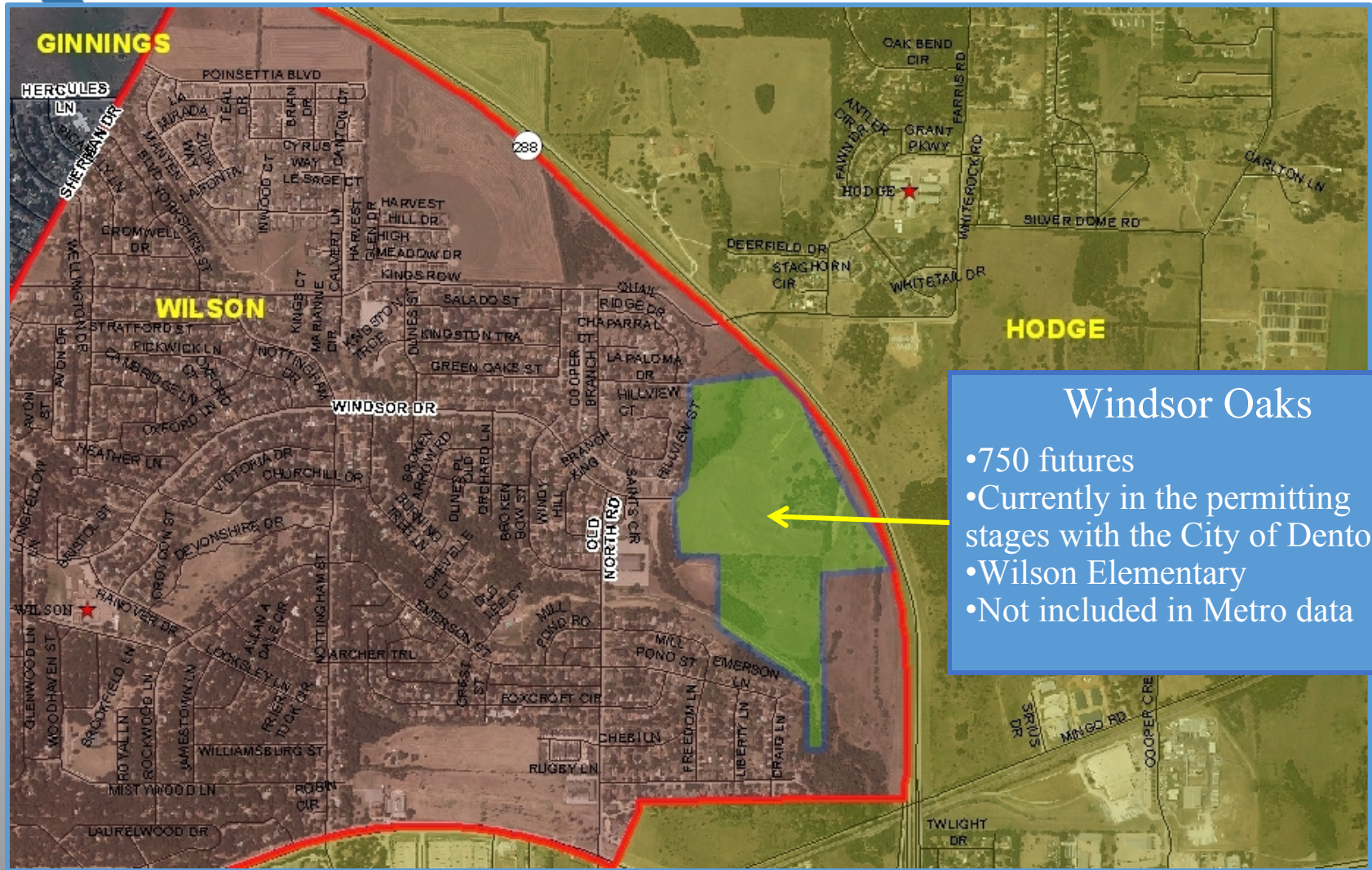
- 682 homes
- Bloomfield Homes
- Developer anticipates the following absorption rates:
 - 2014 = 90 homes
 - 2015 = 125 homes
 - 2016 = 125 homes
- Ryan Elementary





Future Subdivision

Windsor Oaks



Windsor Oaks

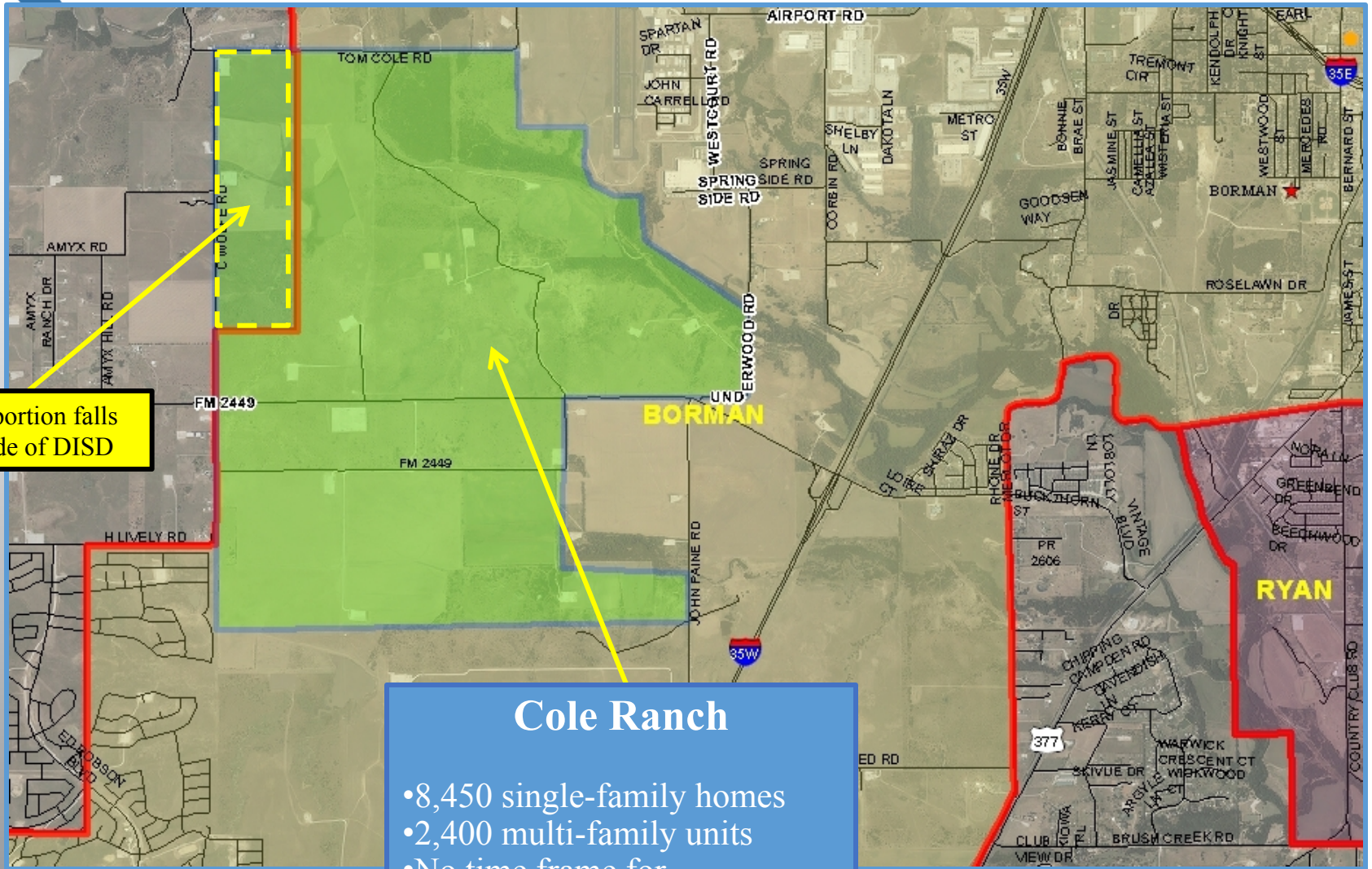
- 750 futures
- Currently in the permitting stages with the City of Denton
- Wilson Elementary
- Not included in Metro data





Future Subdivision

Cole Ranch



This portion falls outside of DISD

Cole Ranch

- 8,450 single-family homes
- 2,400 multi-family units
- No time frame for development at this time
- Borman Elementary
- Not included in Metro data



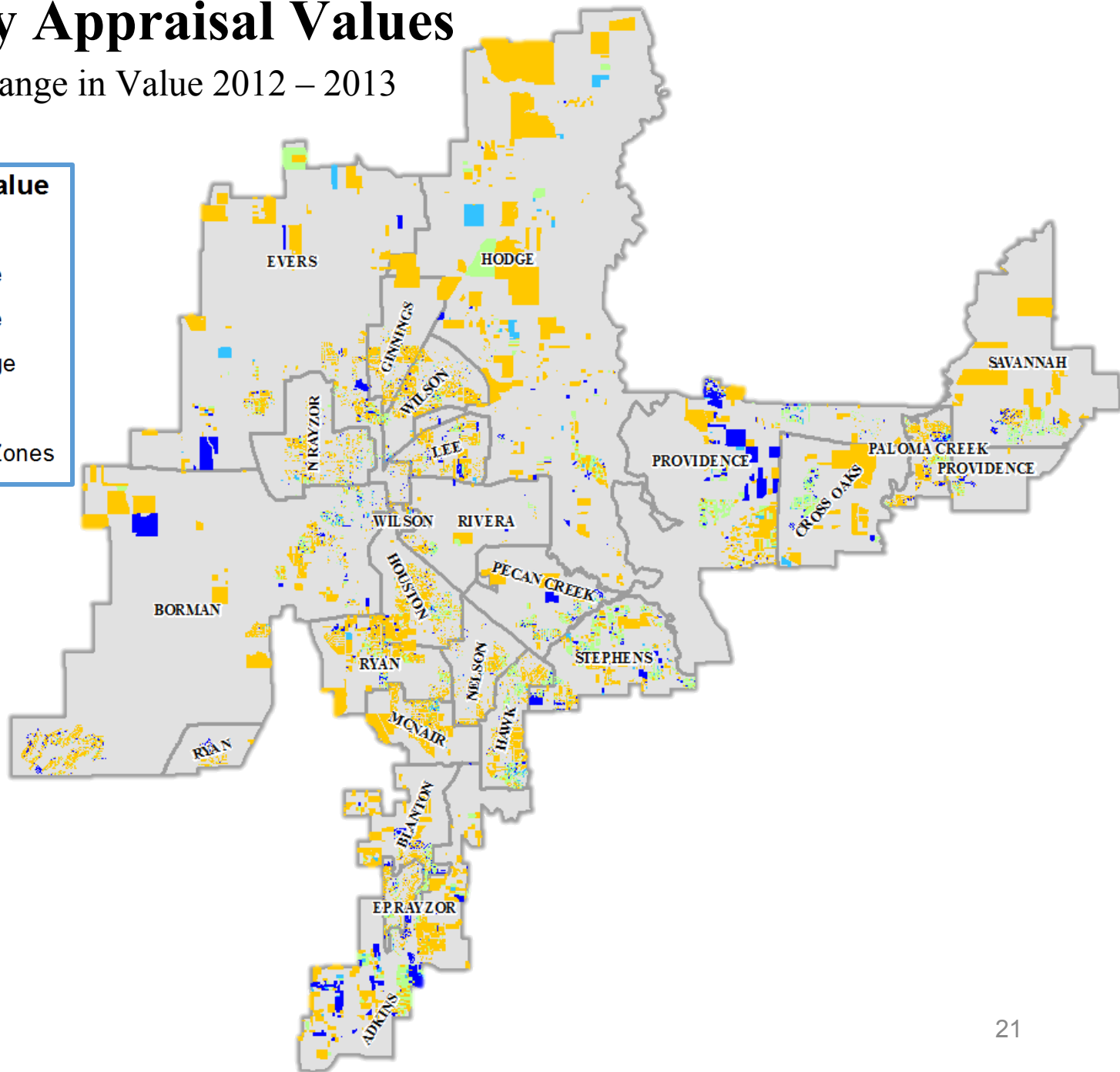


County Appraisal Values

Percent Change in Value 2012 – 2013

Percent Change in Value

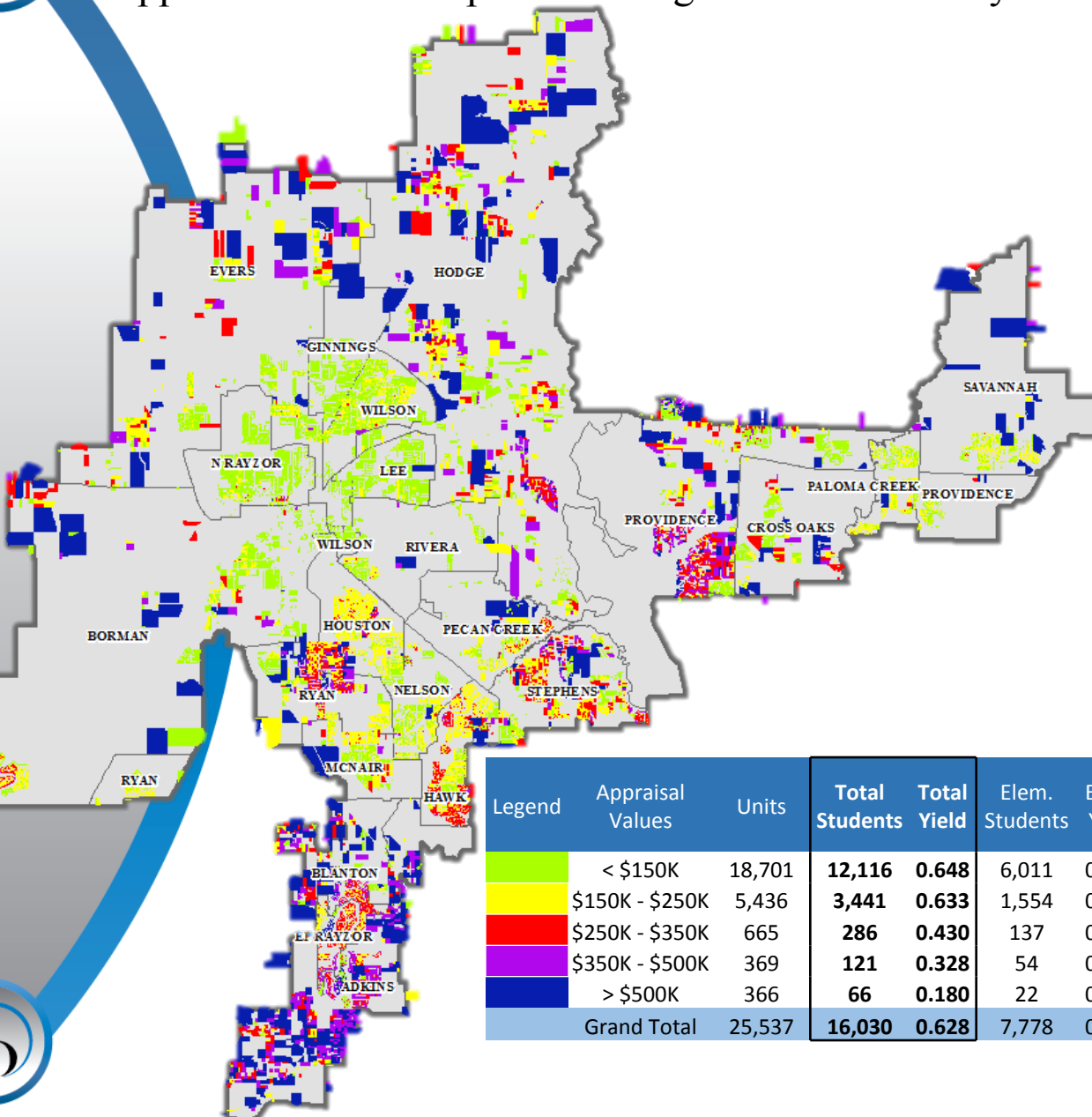
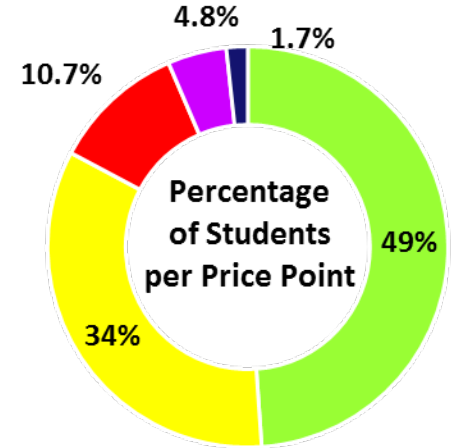
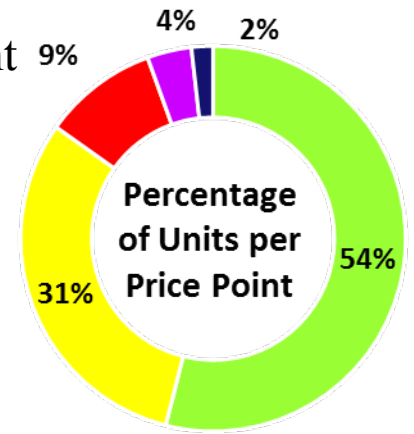
- Negative Change
- Little or No Change
- 3% to 10% Change
- 10% to 15% Change
- > 15% Change
- DISD Elementary Zones





County Appraisal Values

Appraisal Values Map and Average Student Yield by Price Point



Legend	Appraisal Values	Units	Total Students	Total Yield	Elem. Students	Elem. Yield	MS Students	MS Yield	HS Students	HS Yield	% Over 65 Exempt
	< \$150K	18,701	12,116	0.648	6,011	0.321	2,800	0.150	3,305	0.177	11%
	\$150K - \$250K	5,436	3,441	0.633	1,554	0.286	803	0.148	1,084	0.199	12%
	\$250K - \$350K	665	286	0.430	137	0.206	60	0.090	89	0.134	18%
	\$350K - \$500K	369	121	0.328	54	0.146	29	0.079	38	0.103	25%
	> \$500K	366	66	0.180	22	0.060	20	0.055	24	0.066	21%
Grand Total		25,537	16,030	0.628	7,778	0.305	3,712	0.145	4,540	0.178	12%





Enrollment History

Year (Oct.)	EE/PRE-K	K	1st	2nd	3rd	4th	5th	6th	7th	8th	9th	10th	11th	12th	Total	Growth	Percent
2009/10	644	1,998	2,032	1,989	1,896	1,864	1,737	1,685	1,651	1,641	1,724	1,421	1,321	1,222	22,825	1,241	5.5%
2010/11	950	2,035	2,020	2,089	2,017	1,886	1,880	1,722	1,698	1,685	1,782	1,535	1,365	1,330	23,994	1,169	5.1%
2011/12	997	2,108	2,079	2,039	2,084	2,054	1,920	1,874	1,760	1,702	1,812	1,656	1,464	1,296	24,845	851	3.5%
2012/13	1,001	2,121	2,162	2,052	2,065	2,108	2,059	1,929	1,887	1,768	1,819	1,769	1,610	1,425	25,775	930	3.7%
2013/14	965	2,097	2,166	2,183	2,075	2,112	2,104	2,033	1,913	1,896	1,898	1,711	1,641	1,535	26,329	554	2.1%

*Yellow box = largest grade per year
 *Green box = second largest grade per year

Cohort Analysis

Year (Oct.)	K	1st	2nd	3rd	4th	5th	6th	7th	8th	9th	10th	11th	12th
2010/11	1.019	1.011	1.028	1.014	0.995	1.009	0.991	1.008	1.021	1.086	0.890	0.961	1.007
2011/12	1.036	1.022	1.009	0.998	1.018	1.018	0.997	1.022	1.002	1.075	0.929	0.954	0.949
2012/13	1.006	1.026	0.987	1.013	1.012	1.002	1.005	1.007	1.005	1.069	0.976	0.972	0.973
2013/14	0.989	1.021	1.010	1.011	1.023	0.998	0.987	0.992	1.005	1.074	0.941	0.928	0.953

Roll-up Analysis

	K	1st	2nd	3rd	4th	5th	6th	7th	8th	9th	10th	11th	12th	Total	Growth
Roll-up	2,097	2,097	2,166	2,183	2,075	2,112	2,104	2,033	1,913	1,896	1,898	1,711	1,641	26,927	598
Prev Cohort	2,073	2,141	2,187	2,207	2,122	2,108	2,077	2,016	1,922	2,035	1,785	1,587	1,565	26,829	500
3-Year Cohort	2,118	2,145	2,170	2,199	2,111	2,125	2,096	2,047	1,920	2,034	1,801	1,628	1,573	26,969	640



Ten Year Forecast

By Grade Level

Year (Oct.)	EE/PRE-K	K	1st	2nd	3rd	4th	5th	6th	7th	8th	9th	10th	11th	12th	Total	Growth	Percent
2009/10	644	1,998	2,032	1,989	1,896	1,864	1,737	1,685	1,651	1,641	1,724	1,421	1,321	1,222	22,825	1,241	5.5%
2010/11	950	2,035	2,020	2,089	2,017	1,886	1,880	1,722	1,698	1,685	1,782	1,535	1,365	1,330	23,994	1,169	5.1%
2011/12	997	2,108	2,079	2,039	2,084	2,054	1,920	1,874	1,760	1,702	1,812	1,656	1,464	1,296	24,845	851	3.5%
2012/13	1,001	2,121	2,162	2,052	2,065	2,108	2,059	1,929	1,887	1,768	1,819	1,769	1,610	1,425	25,775	930	3.7%
2013/14	965	2,097	2,166	2,183	2,075	2,112	2,104	2,033	1,913	1,896	1,898	1,711	1,641	1,535	26,329	554	2.1%
2014/15	965	2,112	2,143	2,176	2,203	2,102	2,115	2,112	1,992	1,947	2,002	1,809	1,636	1,570	26,884	555	2.1%
2015/16	965	2,137	2,164	2,163	2,216	2,254	2,129	2,098	2,129	2,000	2,077	1,921	1,733	1,571	27,557	673	2.5%
2016/17	965	2,178	2,210	2,220	2,215	2,260	2,287	2,057	2,061	2,178	2,130	1,985	1,825	1,662	28,233	676	2.5%
2017/18	965	2,246	2,276	2,281	2,283	2,277	2,307	2,202	2,041	2,097	2,310	2,036	1,885	1,751	28,957	724	2.6%
2018/19	965	2,325	2,344	2,342	2,351	2,350	2,335	2,305	2,193	2,075	2,246	2,210	1,920	1,809	29,770	813	2.8%
2019/20	965	2,402	2,425	2,416	2,411	2,412	2,404	2,326	2,292	2,244	2,223	2,147	2,093	1,841	30,601	831	2.8%
2020/21	965	2,488	2,514	2,505	2,490	2,482	2,465	2,420	2,314	2,344	2,396	2,126	2,033	2,008	31,550	949	3.1%
2021/22	965	2,580	2,588	2,596	2,583	2,562	2,546	2,483	2,410	2,365	2,494	2,291	2,011	1,950	32,424	874	2.8%
2022/23	965	2,682	2,693	2,677	2,679	2,660	2,632	2,528	2,472	2,462	2,529	2,385	2,168	1,927	33,459	1,035	3.2%
2023/24	965	2,893	2,805	2,789	2,767	2,762	2,735	2,614	2,516	2,524	2,627	2,418	2,256	2,078	34,749	1,290	3.9%

*Yellow box = largest grade per year
 *Green box = second largest grade per year

- Denton ISD will reach over 28,000 enrollment in the fall of 2016 and over 30,000 in the fall of 2019
- 5 year growth = 3,441 students
- 2018/19 enrollment = 29,770
- 10 year growth = 8,420 students
- 2023/24 enrollment = 34,749



Ten Year Forecast

By Elementary Campus

Campus Name	History	Current	Projections									
	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Blanton Elementary School	719	768	548	586	596	631	671	676	679	696	706	721
Borman Elementary School	449	470	492	503	530	553	598	647	707	768	843	923
Cross Oaks Elementary School	462	518	559	579	631	676	706	748	796	844	898	958
E P Rayzor Elementary School	691	687	455	426	444	440	440	450	466	481	496	513
Evers Park Elementary School	547	559	566	572	582	599	622	645	682	725	772	823
Ginnings Elementary School	626	605	624	645	653	669	681	698	708	718	729	743
Hodge Elementary School	685	687	684	689	711	730	755	781	811	838	866	898
Houston Elementary School	612	604	614	609	602	627	644	647	660	676	692	710
Nelson Elementary School	664	659	665	664	676	667	657	658	658	652	652	651
Lee Elementary School	600	573	550	564	567	587	601	623	639	664	688	713
McNair Elementary School	547	512	624	581	562	544	540	547	550	558	571	591
Hawk Elementary School	710	674	760	741	720	692	686	685	686	689	686	791
Olive Stephens Elementary School	520	545	551	528	538	535	532	534	537	531	525	517
Paloma Creek Elementary School	748	646	696	716	733	759	767	780	777	776	779	779
Pecan Creek Elementary School	715	743	583	604	628	650	670	705	736	767	789	804
Providence Elementary School	502	588	617	648	686	732	788	850	913	981	1,054	1,134
Newton Rayzor Elementary School	643	683	682	694	686	647	660	648	653	665	678	698
Rivera Elementary School	543	602	633	662	700	722	716	713	702	689	702	713
Savannah Elementary School	629	687	710	762	797	831	857	898	946	1,006	1,071	1,142
Ryan Elementary School	606	603	601	641	671	688	729	755	790	824	856	890
Wilson Elementary School	612	599	591	601	597	616	636	647	661	666	668	669
Future Elementary School	0	0	317	315	323	334	346	390	442	496	557	625
Ann Windle School For Young Child	348	343	343	343	343	343	343	343	343	343	343	343
Gonzalez School For Young Child	387	347	351	355	359	363	367	367	367	367	367	367
Total Elementary	13,565	13,702	13,816	14,028	14,335	14,635	15,012	15,435	15,909	16,420	16,988	17,716
Elementary growth	289	137	114	212	307	300	377	423	474	511	568	728

Ten Year Forecast

By Middle School & High School Campus

MIDDLE SCHOOL CAMPUS ENROLLMENT PROJECTIONS												
		Current	Projections									
Campus Name	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Calhoun Middle School	849	652	753	823	871	868	907	963	1,025	1,056	1,073	1,089
McMath Middle School	823	732	743	740	763	777	783	847	872	913	941	982
Navo Middle School	904	999	1,007	1,103	1,178	1,254	1,381	1,487	1,574	1,621	1,704	1,791
Crownover Middle School	1,019	904	946	1,006	991	997	1,003	992	960	955	969	975
Strickland Middle School	927	879	878	832	827	844	894	891	913	944	981	1,010
Harpool Middle School	1,037	950	932	897	853	777	733	759	769	785	795	797
Bette Myers Middle School	0	726	792	826	813	823	872	923	965	984	999	1,010
Total Middle School	5,559	5,842	6,051	6,227	6,296	6,340	6,573	6,862	7,078	7,258	7,462	7,654
Middle School Growth	243	283	209	176	69	44	233	289	216	180	204	192
HIGH SCHOOL CAMPUS ENROLLMENT PROJECTIONS												
		Current	Projections									
Campus Name	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Denton High School	1,994	2,093	2,175	2,223	2,278	2,354	2,449	2,525	2,660	2,771	2,908	3,069
Fred Moore High School	71	54	54	54	54	54	54	54	54	54	54	54
John Guyer High School	2,198	2,288	2,393	2,512	2,641	2,802	2,826	2,795	2,825	2,734	2,708	2,757
Ryan High School	2,285	2,350	2,395	2,513	2,629	2,772	2,856	2,930	3,024	3,187	3,339	3,499
Total High School	6,548	6,785	7,017	7,302	7,602	7,982	8,185	8,304	8,563	8,746	9,009	9,379
High School growth	410	237	232	285	300	380	203	119	259	183	263	370
TOTAL	25,775	26,329	26,884	27,557	28,233	28,957	29,770	30,601	31,550	32,424	33,459	34,749
Student Growth	930	554	555	673	676	724	813	831	949	874	1,035	1,290
Percent Growth	3.7%	2.1%	2.1%	2.5%	2.5%	2.6%	2.8%	2.8%	3.1%	2.8%	3.2%	3.9%



Summary

- Texas economy continues to be the strongest state economy in the country.
- DFW will continue to be a leader in job and population growth due to the energy boom and its diverse economy.
- Denton ISD new home starts have averaged more than 400 per quarter over the last 5 quarters.
- Vacant Developed Lot supply remains in good position to sustain new housing growth.
- Paloma Creek, Cross Oaks and Pecan Creek with the highest activity of new home starts representing almost 45% of the total starts for the district.
- Denton ISD can expect an increase of almost 3,500 students during the next 5 years.
- 2018/19 enrollment projection 29,770.
- DISD is projected to have almost 35,000 students for the 2023/24 school year.

TEMPLETON DEMOGRAPHICS

DEMOGRAPHICS AND PLANNING FOR SCHOOL DISTRICTS



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