

Puget Sound K-12 Enrollment Trends What About the Virus?

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K-12 Enrollment Trends and the Coronavirus

- Several of my regular clients have contacted me about the potential effects of the Covid-19 virus on next year's enrollment.
- Let's just admit, up front, that we don't really know. But if the lockdowns and precautionary measures linger for a while throughout the United States it seems likely that this could have a negative impact on enrollment. So what might happen? Let's speculate a little.
- First, there are some similarities to the housing bubble period and the recession that hit during that time frame (roughly 2007 to 2011). Population gains in the region slowed between 2007 and 2011 as people throughout the United States stopped moving as much and tended to stay where they were.
- As a result of the housing decline there was a net decline in enrollment in the Puget Sound (King, Kitsap, Pierce, and Snohomish Counties) between 2006 and 2007. This is the only net decline in the Puget Sound enrollment that I have seen in the past twenty years.
- There are obviously differences between a virus that shuts down the economy and the fundamental problems in our economy that were uncovered by the housing bubble bursting. During that time period we found out that banks were creating and selling mortgage backed securities that were essentially worthless and giving mortgages to anyone they could. Consumers were also heavily leveraged with housing and credit card debt.

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- The present crisis is different because we do not have these kinds of fundamental problems with the banks, the housing market, or consumers (although some reports suggest that consumer debt is high again which could be a problem when we get to the economic recovery stage).
- Most national economic forecasts suggest that if we get past the worst of the present crisis the recovery will be faster than last time. I am somewhat skeptical of how fast it will recover because of the potential psychological effects on people's behavior. In 2010 and 2011 when I was flying a lot planes were still not full and not as many people were flying. It took a while for the recovery to take hold, but perhaps we will see a quick recovery.
- So what can we learn from 2007 that might apply to the present?
- First, if people stop moving for a while throughout the US this will likely have an impact on population growth and enrollment in the Puget Sound, at least in 2021.
- Births continue to be a big driver of enrollment, but net population gains from people moving here has also played an important role in the enrollment gains we have seen in the Puget Sound since 2012. Population growth has been better than expected from 2012 to the present. Lower net gains from migration could mean lower enrollment gains or even losses this coming year.

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- Even though the housing crisis put a dent in enrollment growth between 2007 and 2011, some Districts saw net gains in enrollment during this period because behavior changed.
- The Seattle School District, for example, saw net gains in enrollment because fewer people moved out of the city to buy houses in the suburbs. This trend started to shift again between 2013 and the present and Seattle's enrollment has been growing at a much slower pace recently. It is conceivable that we could see this kind of effect again in selected places, but it is too early to tell.
- Other Districts, like Highline, saw enrollment gains during this period, because immigrant populations continued to move to the area for jobs and the District had several low income rental and other housing projects that were completed during this time period, drawing modest and lower income residents into the District.
- Pierce County actually saw a net gain in enrollment between 2006 and 2007 and this continued into 2008. But enrollment declined between 2009 and 2013 in the County as the housing crisis began to impact the southern portion of the Puget Sound.
- With the coronavirus it seems more likely that the entire region could take a hit and that enrollment may be lower in a wider range of places. It seems likely, for example, that growth in the immigrant populations could slow, at least temporarily, because of the spread of the virus throughout the world. People may be more inclined to stay in place for a while. Also, given the impact on service workers in the economy, we could see areas where people have to move or leave for better job opportunities.

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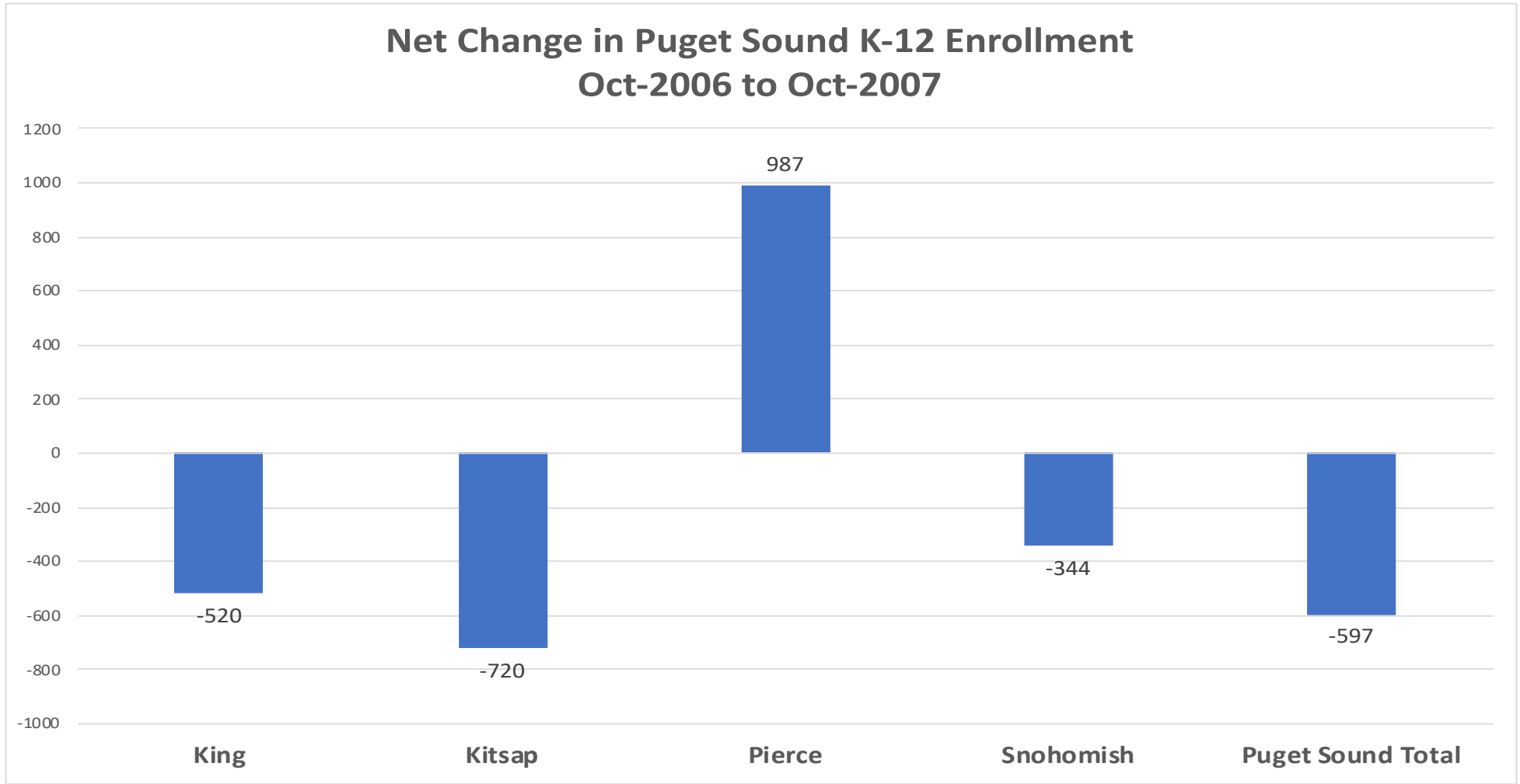
- I have provided data showing the net change in enrollment by County and District between 2006 and 2007 (see the last few pages).
- You should NOT look at this and say, "Oh, this is how much our enrollment will be impacted". Raw numbers don't tell you much. I just wanted to show you what happened back then. Also, as I noted, some Districts saw a positive effect on their enrollment which seems less likely this time.
- One of the things I found in looking at the data was that Districts that were negatively impacted by the housing crisis, were impacted to different degrees, but there was a general pattern.
- For many of my Districts that were negatively impacted I saw about a one percent change in their "expected enrollment pattern" between 2007 and 2011. In other words if their enrollment was projected to grow by half-a-percent a year, they instead saw a decline of half-a-percent from 2007 forward (a one percent swing the other way). If they were declining by half-a-percent that decline increased to 1.5%, in 2007 and a little beyond. Some years in that period were worse than others, but the one percent rule worked reasonably well. Keep in mind that my low projection for a District is generally about one percent lower than the medium recommended projection.
- But does that really apply to the present crisis? We really don't know. It is possible, for example, that if the crisis ends fast enough we could see a ramp up in hiring and home sales in the summer and that might get us back close to where we should have been in the first place. Or things might take a dramatically bad turn and enrollment will be much worse than the low range projection. Right now I am leaning toward a worst case scenario but it is still early.

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- My general rule of thumb is be as cautious as you need to be, in order to insure that you don't create budget and staffing problems. But you already know that.
- My more general advice is to expect enrollment to be lower and be pleasantly surprised if it better than expected. Also, remember that even if the year starts out low, if things return to normal in the region, we could see higher than usual growth throughout the next school year, as people continue to move here for jobs. Amazon looks like they will come out of this in a very strong position.
- I also have the means to track home sales data and construction progress, and I am keeping an eye on that data by District to see what the impact of the virus might be having throughout the Spring and Summer. You should feel free to contact me as needed for any data updates or other information I might have as we move forward.
- Also, if students return to school buildings this Spring we will have better enrollment data for seeing the potential impact of the virus on next year's enrollment. Stay safe and stay well.

Annual Net Change in Enrollment by County Oct-2006 to Oct-2007

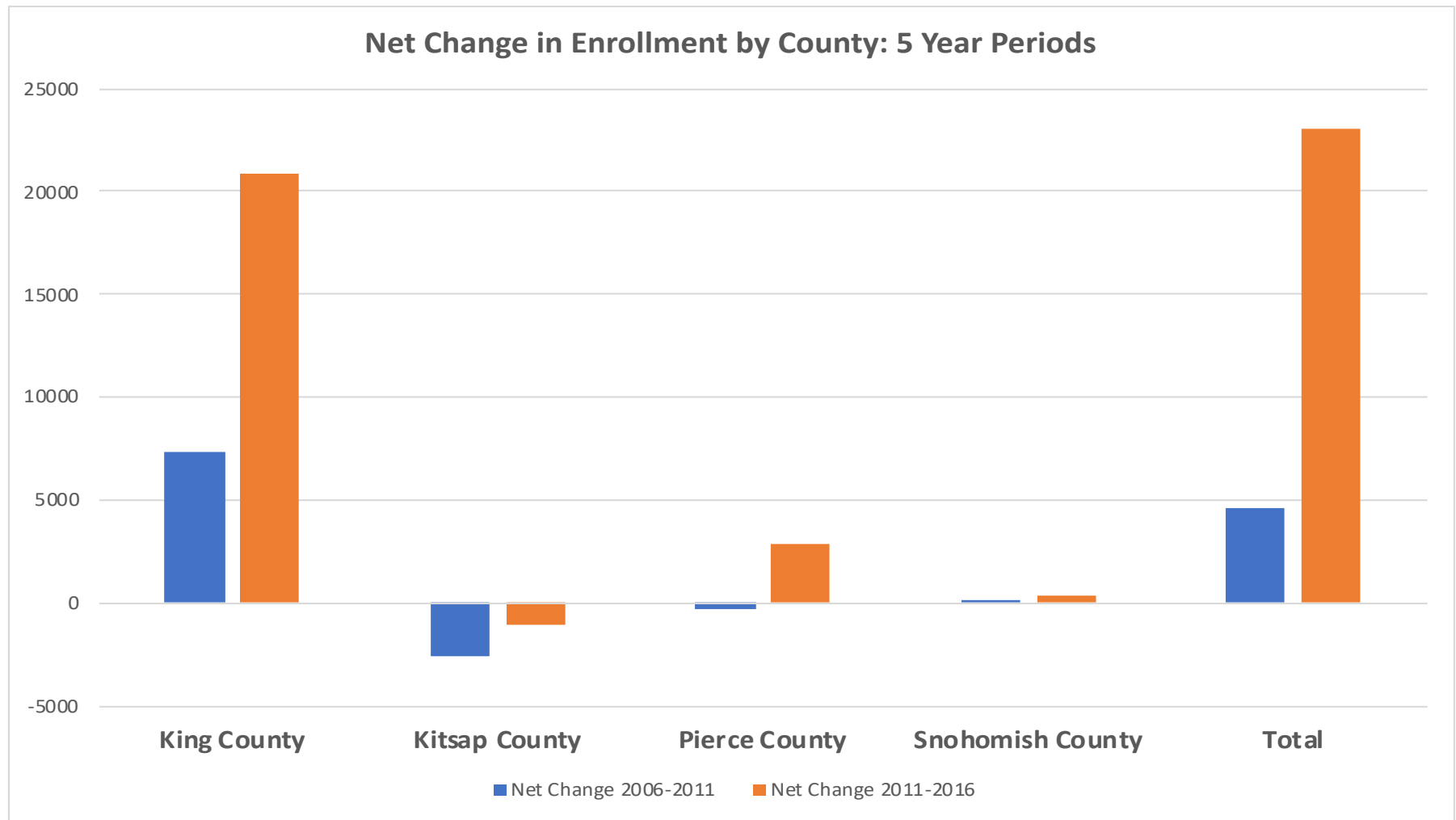
(Numbers may have changed since the original reporting date)



Puget Sound K-12 Enrollment Net Change

Comparison of Housing Down Years and Housing Recovery Years

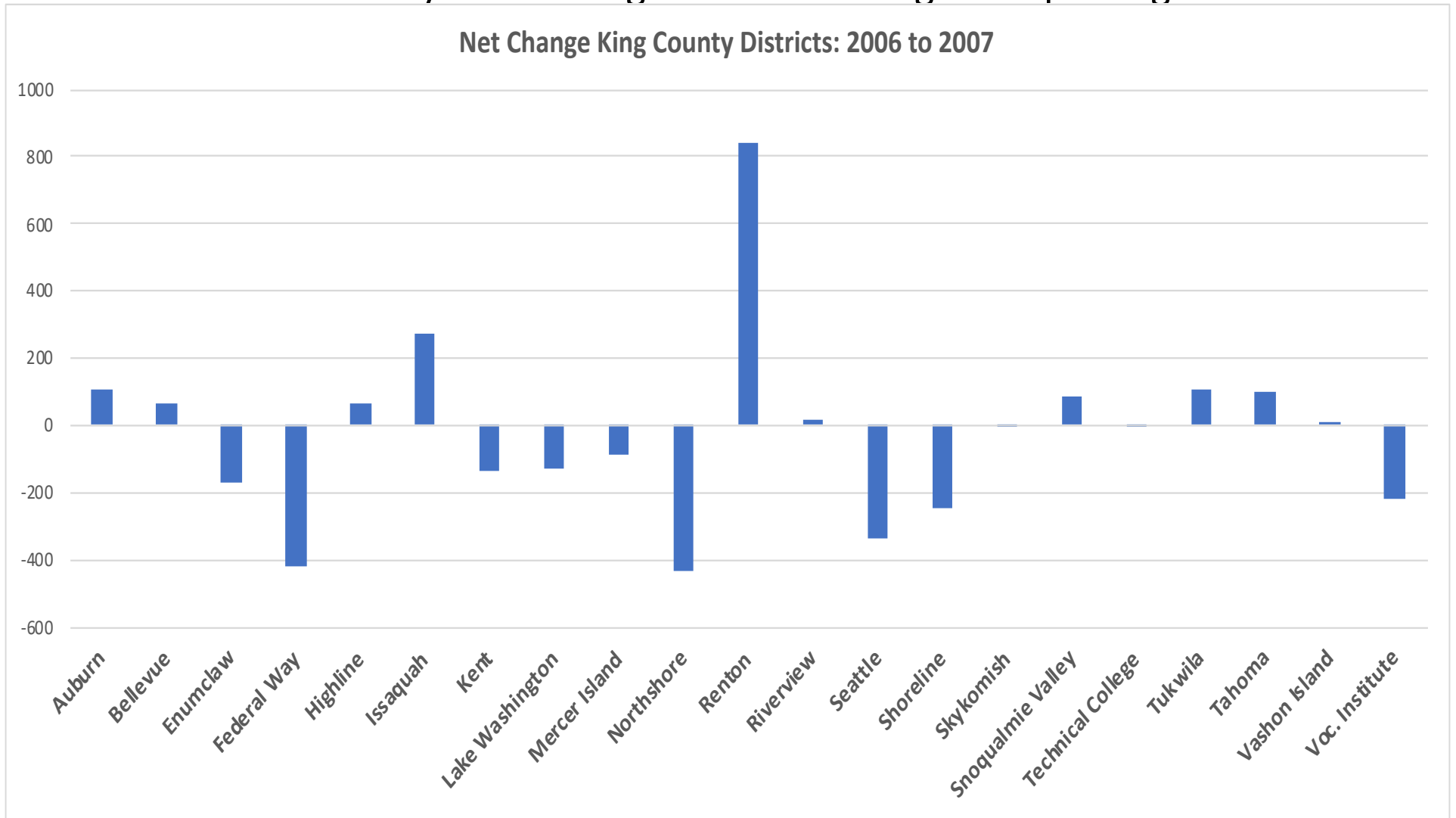
Note: Numbers may have changed since the original reporting date



King County Public School Districts

Change in Enrollment Between Oct 2006 to Oct 2007

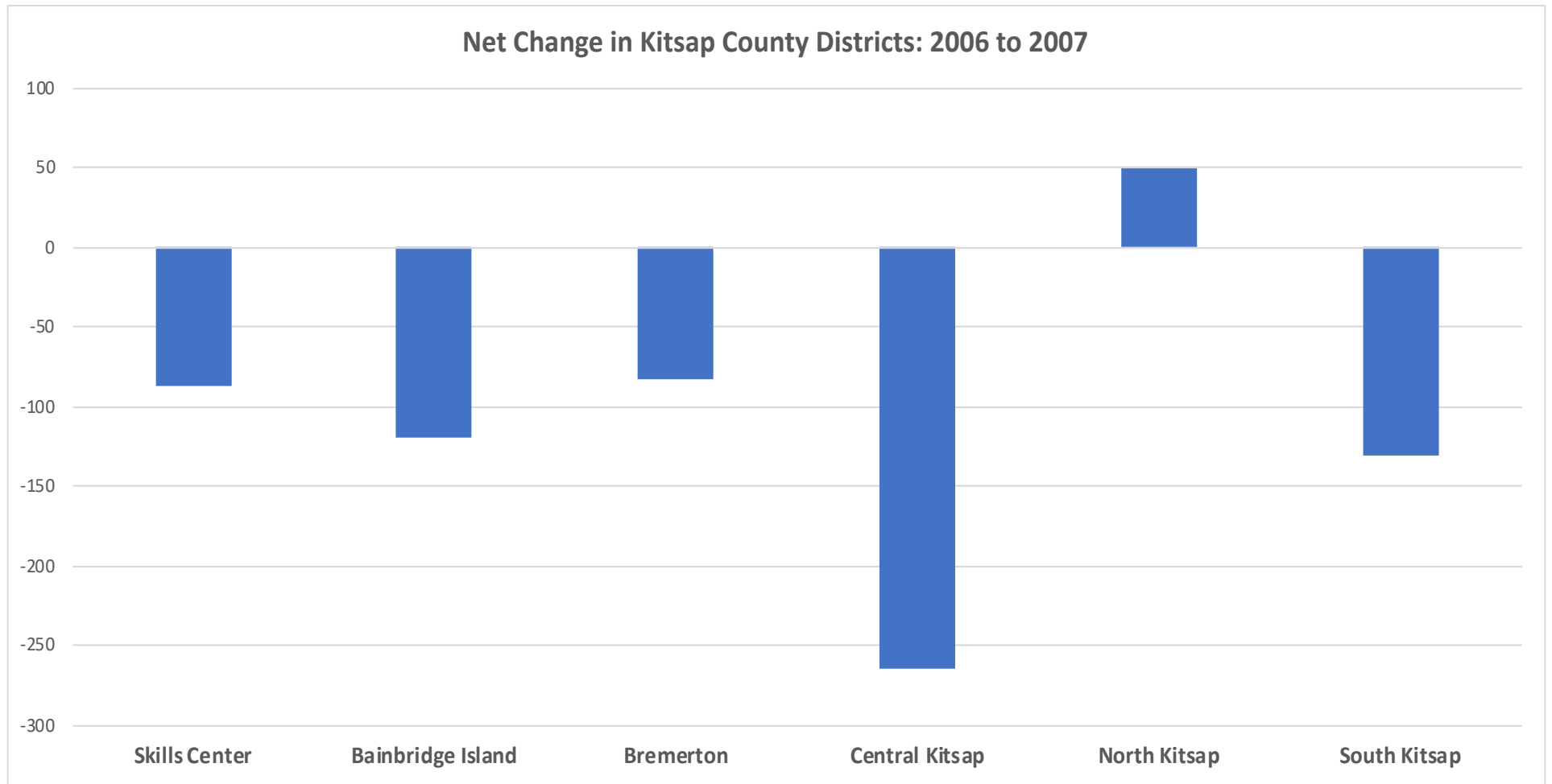
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Kitsap County Public School Districts

Change in Enrollment Between Oct 2006 and Oct 2007

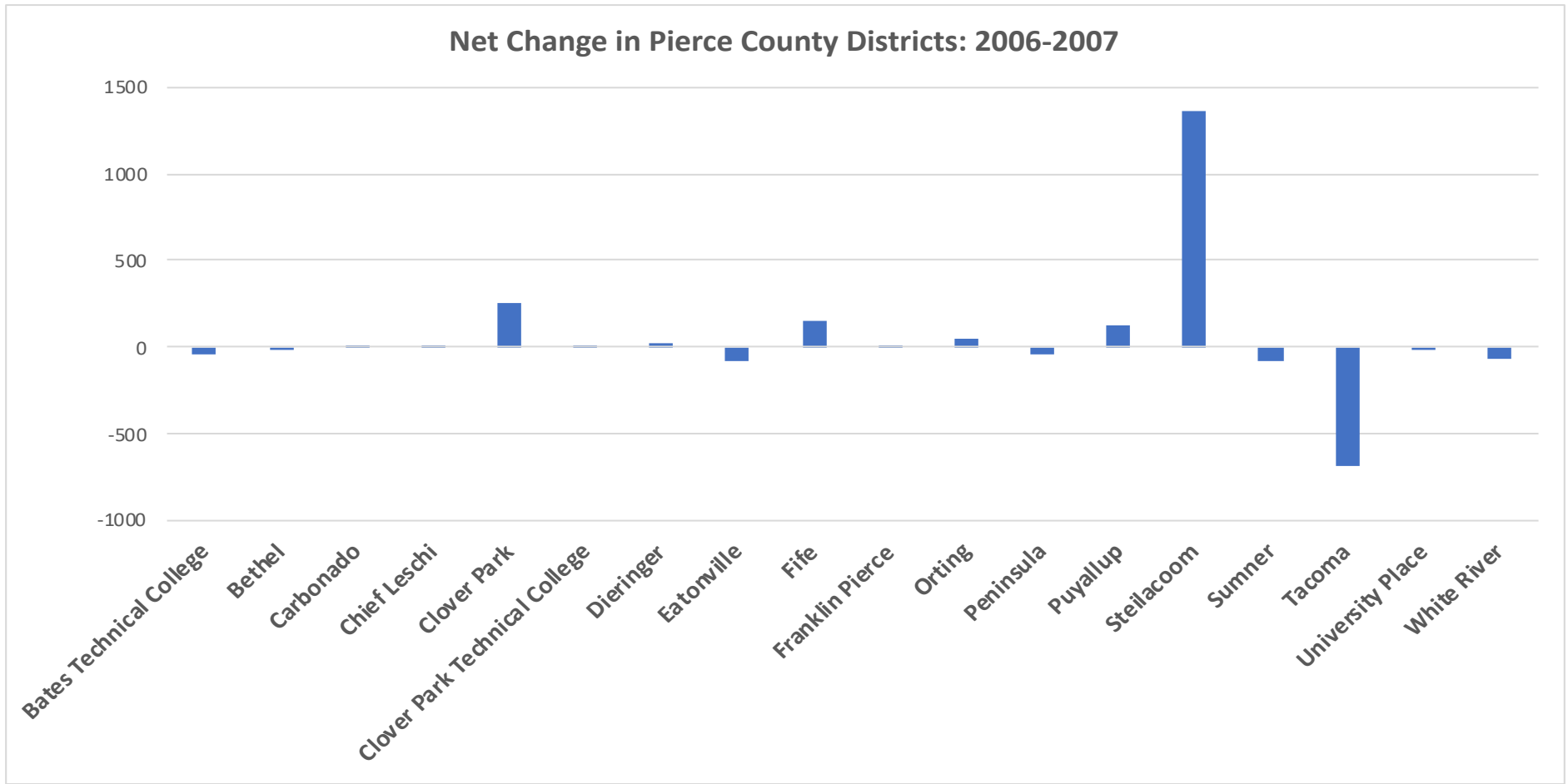
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Pierce County Public School Districts

Change in Enrollment Between Oct 2006 and Oct 2007

Numbers may have changed since the original reporting date



Snohomish County Public School Districts

Change in Enrollment

Oct 2006 and Oct 2007

Note: Numbers may have changed since the original reporting date

