

Scottsdale Unified School District

Demographic and Enrollment Analysis

Governing Board Presentation

March 2, 2021

Presented by:



APPLIED ECONOMICS

Study Scope

Enrollment Trends

- Grade and level characteristics
- Geographic distribution
- Alternative providers

Demographic Characteristics

- Population characteristics
- Household type and age structure
- Housing supply and occupancy rates

Residential Development Impacts

- Current development activity
- Housing market conditions
- Future development potential

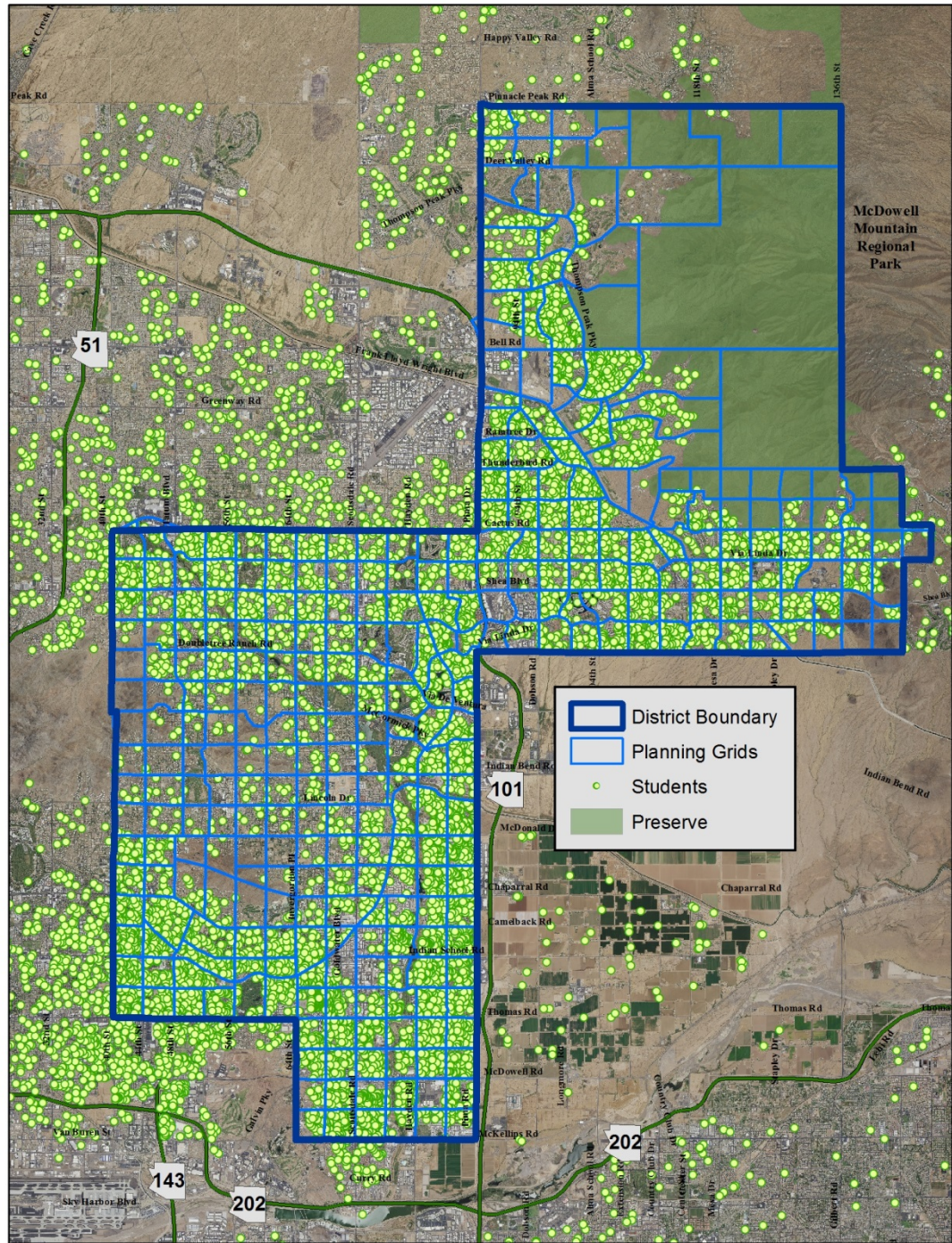
Enrollment Projections

- District
- SUSD Community
- Planning Grid, Attendance Area and School

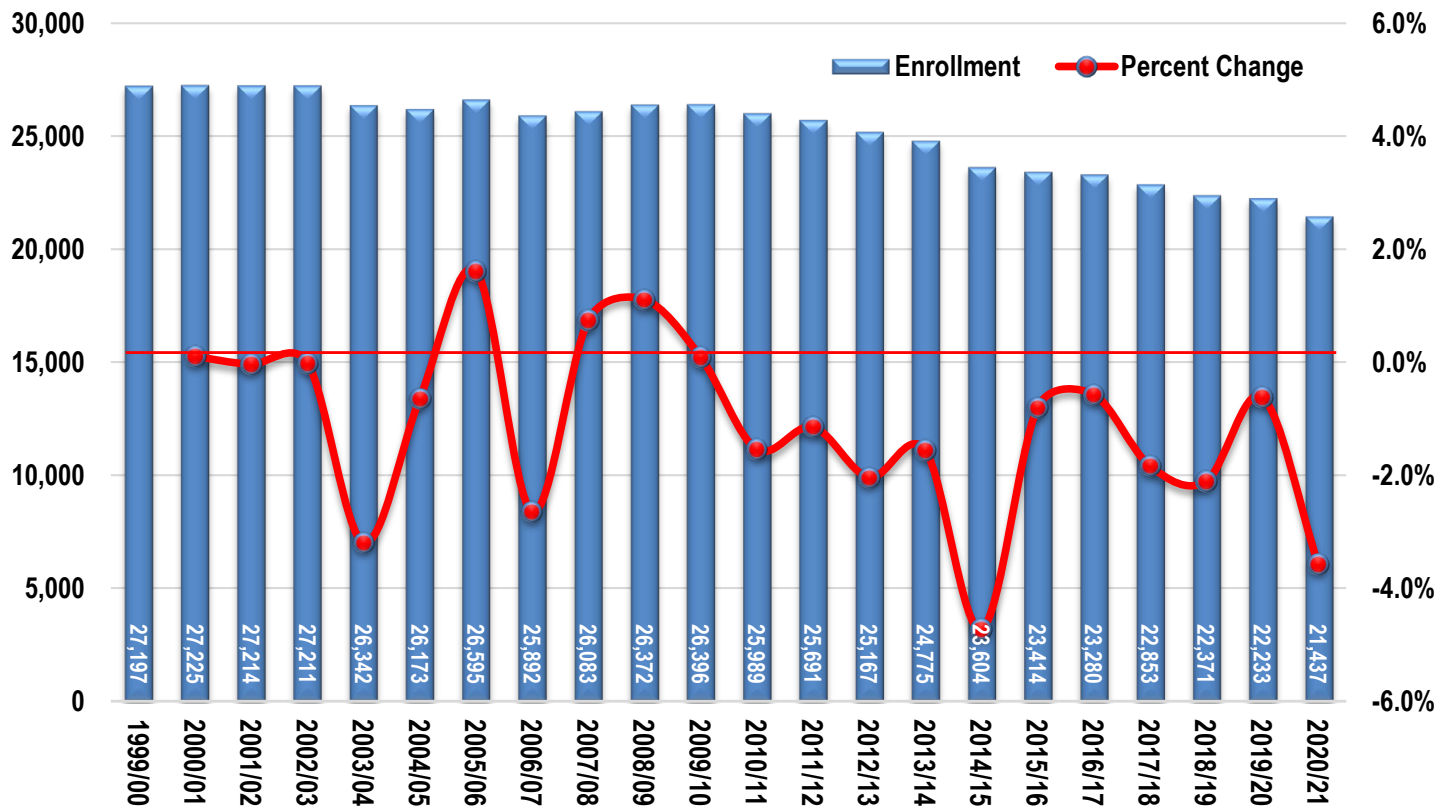
Planning Geography

Quarter-section based planning “grids” remain constant, even while attendance areas and enrollment patterns change.

Out-of-District students are being drawn from a very large area, which increases the difficulty of projecting future enrollment levels.



K-12 Enrollment Trend

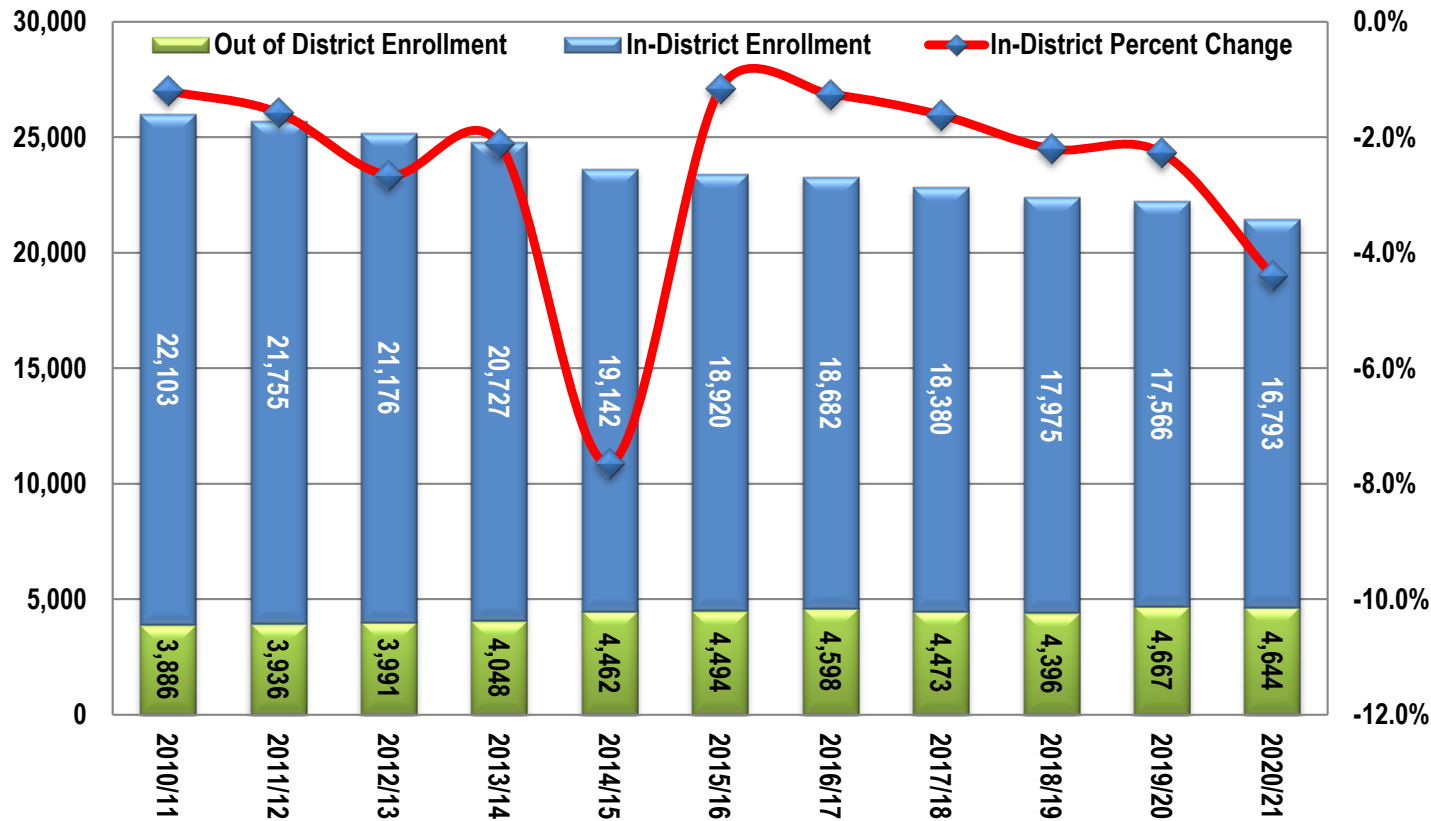


Sources: Arizona Department of Education; Scottsdale Unified School District.

Enrollment has declined by nearly 5,800 K-12 students (21%) since peaking in 2000/01, exacerbated this year by a loss of about 800 students (3.6%) due to the impacts of the COVID-19 pandemic.

Enrollment in charter schools within (or very near) District boundaries has increased by 6,300 K-12 students since 2010/11, while District enrollment has declined by over 4,500 students.

K-12 Enrollment Source

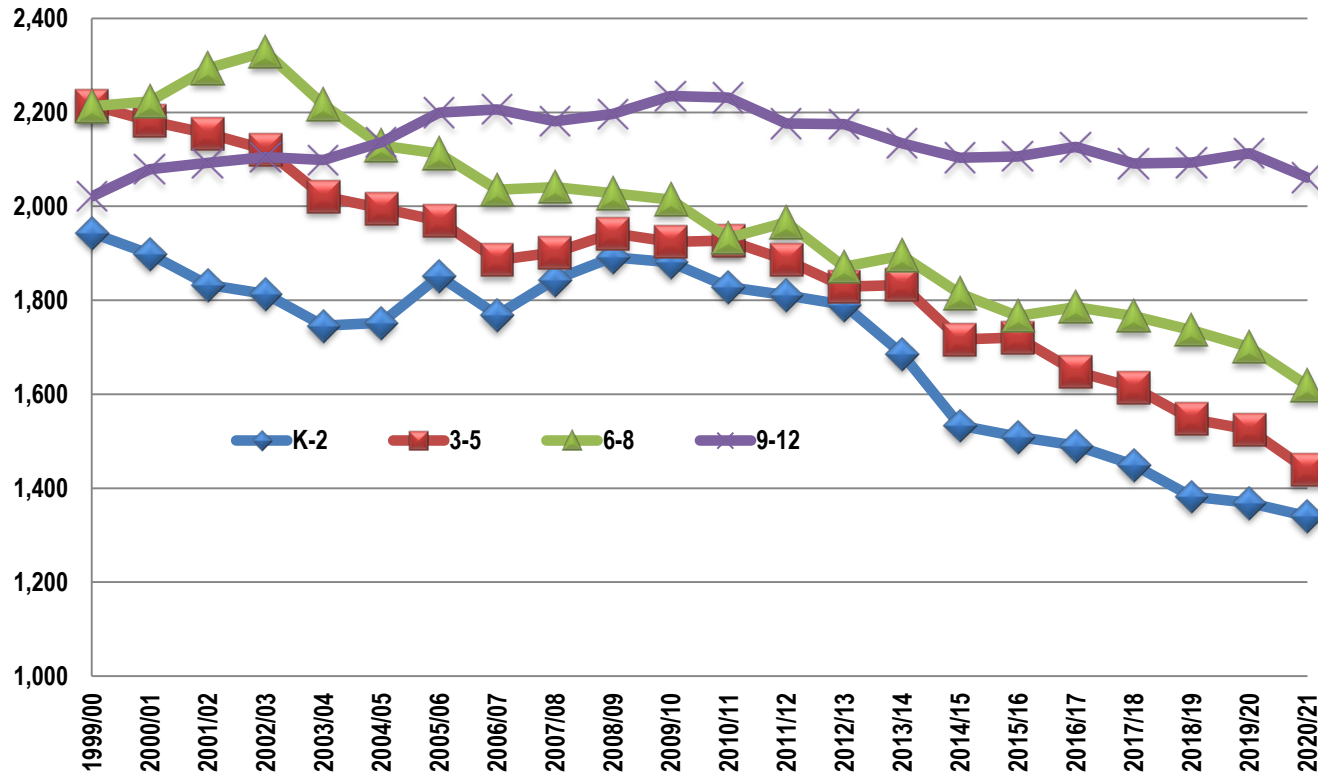


Source: Scottsdale Unified School District.

Since 2010/11 in-District enrollment has declined by about 5,300 students, including an 800-student drop this year, while out-of-District enrollment has increased by about 760 students.

K-12 Enrollment Structure

Average Enrollment Per Grade



Sources: Arizona Department of Education; Scottsdale Unified School District

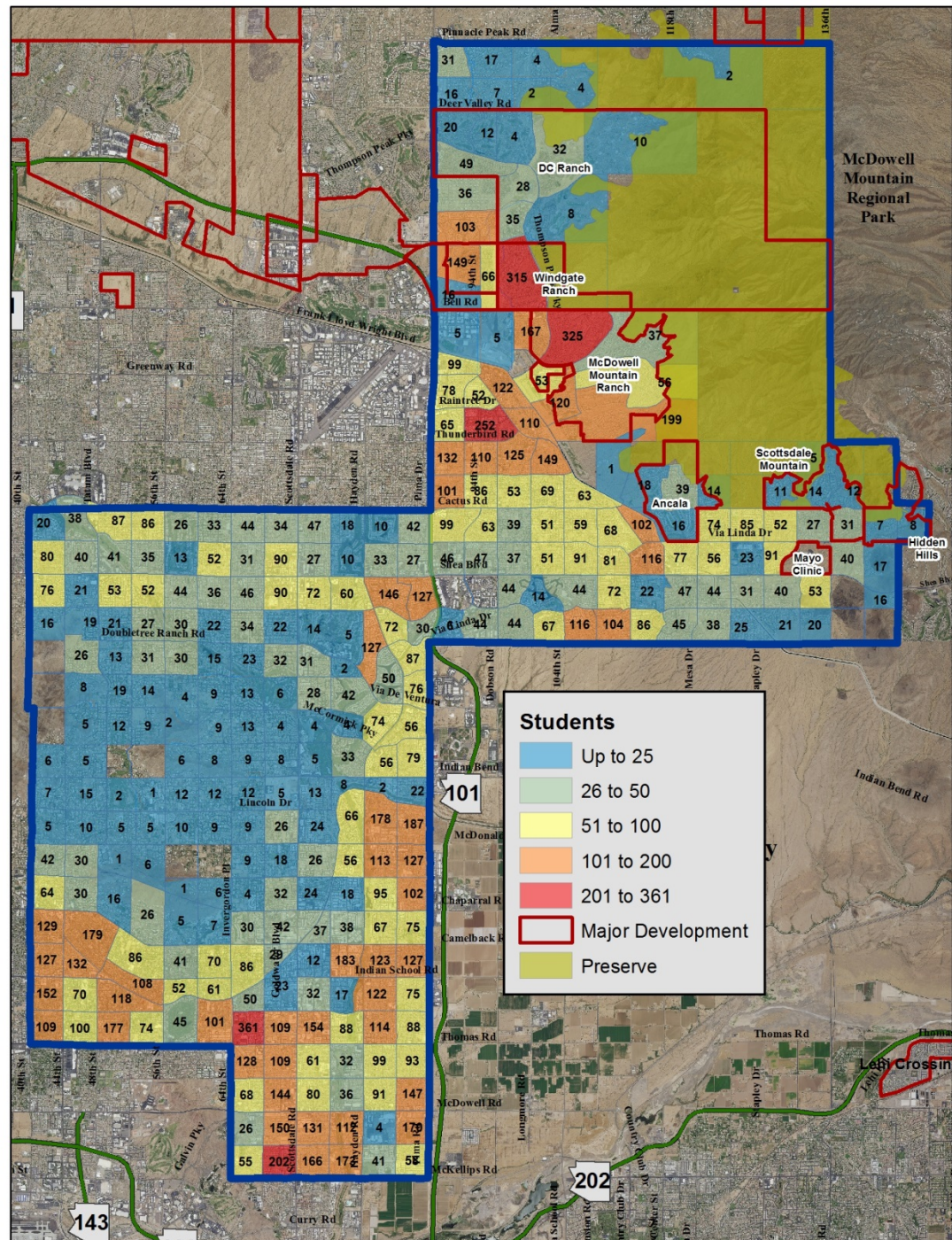
The sizes of the grade cohorts in relationship to each other are consistent with a mature district in a move-up housing market, in which the upper grades are significantly larger.

The declines in the K-2 and the 3-5 grade cohorts are fueled by the low birth rates that resulted from the great recession; this will continue to impact enrollment levels for some time to come.

Enrollment Density

2020/21

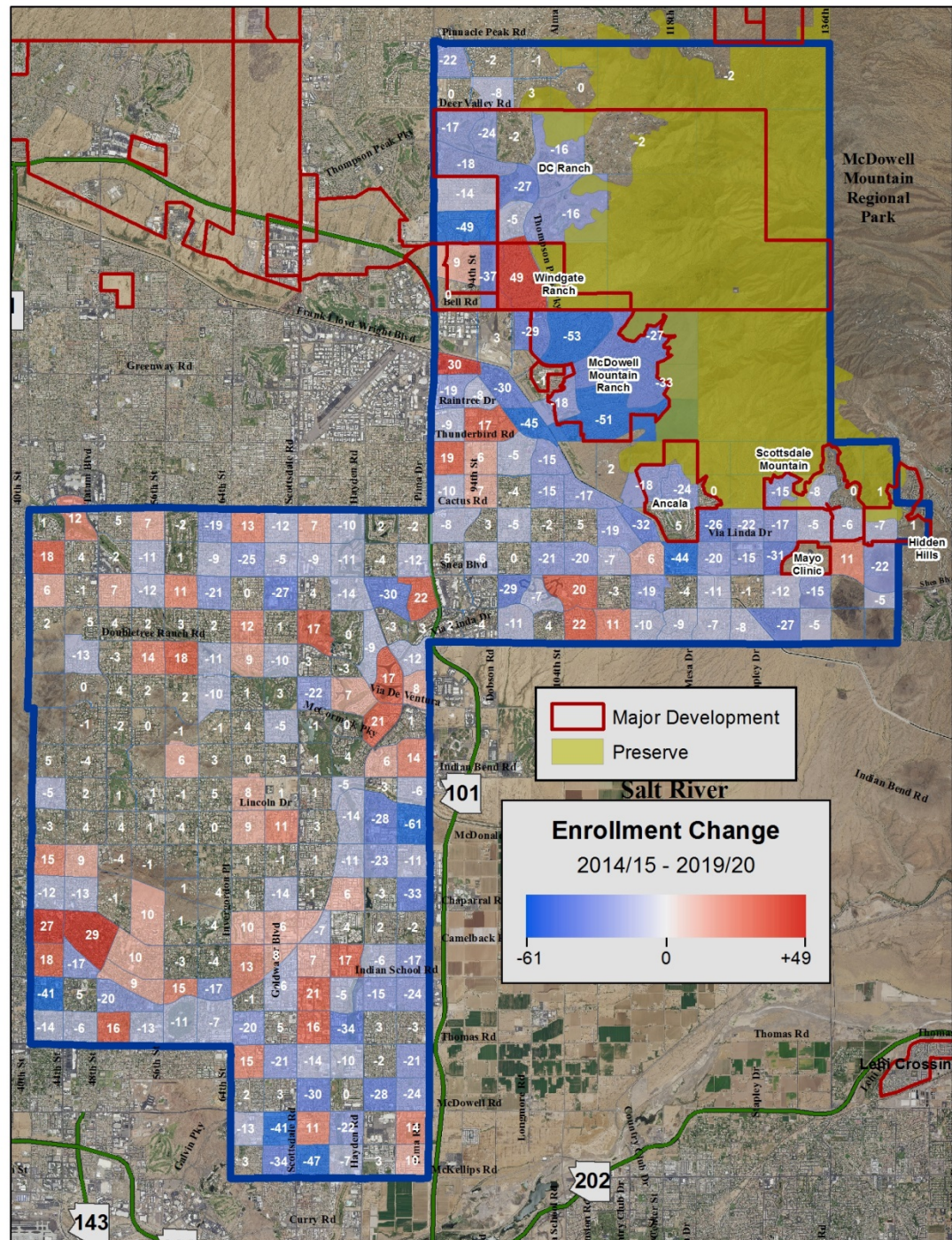
The District has widely dispersed areas of higher enrollment density in the northern and southern extends of the District and large areas have fairly few students.



Enrollment Change

2014/15 – 2019/20

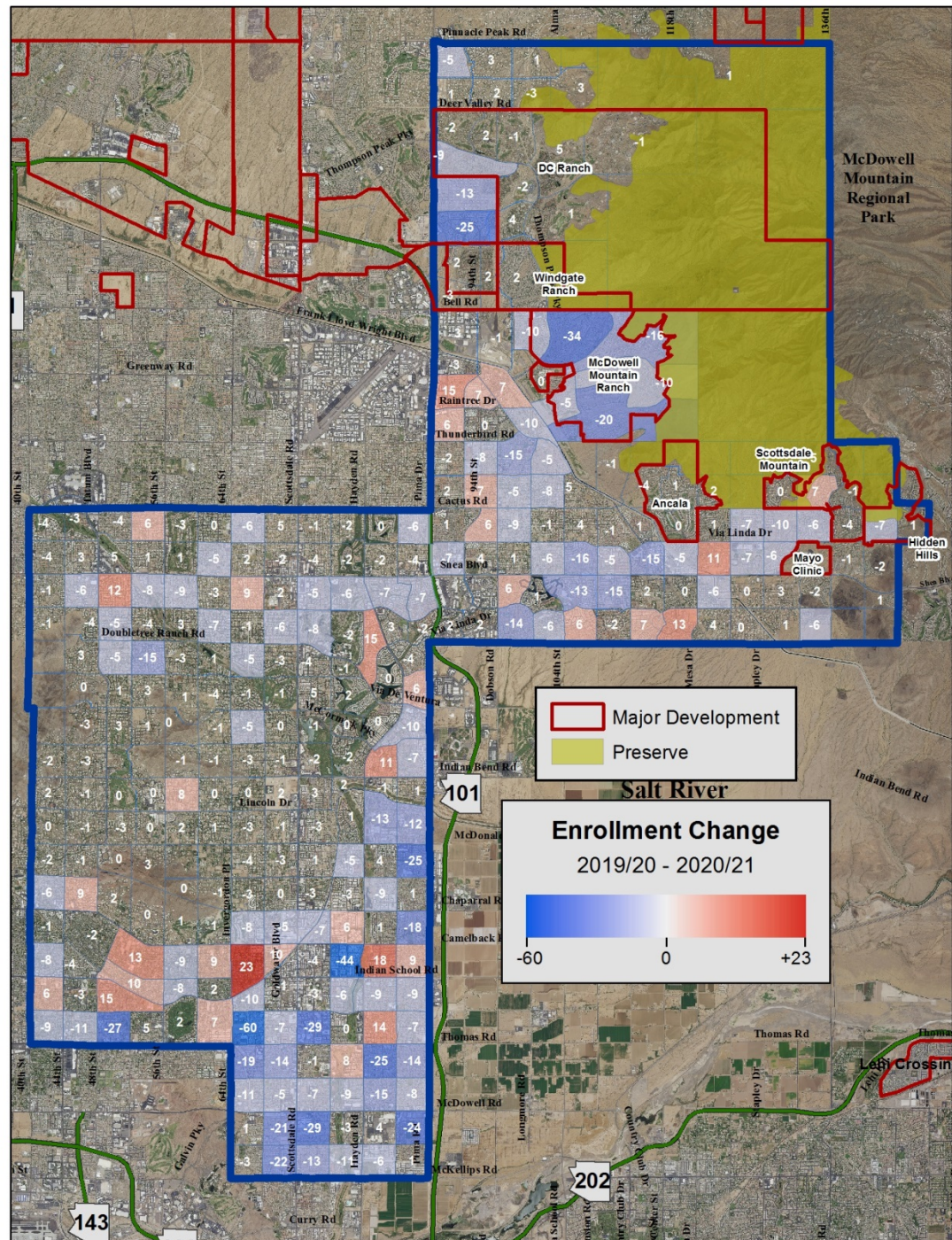
While the overall trend in enrollment was downward through 2019/20, there were areas that showed enrollment increases.



Enrollment Change

2019/20 – 2020/21

The change in enrollment this year was much more universally downward, with the largest losses exhibited in the Coronado community.



Demographic Trends

	2000	2010	2020	Annual Change*	
	Census	Census	Estimate	2000-10	2010-20
Population	220,068	220,818	241,078	0.03%	0.9%
Under 5	20.1% 5.0%	18.4% 4.3%	17.1% 4.2%	-1.31%	0.6%
5 to 13	10.5%	9.4%	8.7%	-1.08%	0.1%
14 to 17	4.6%	4.7%	4.2%	0.25%	-0.3%
18 to 24	6.9%	7.4%	7.2%	0.78%	0.6%
25 to 44	30.5%	25.6%	26.0%	-1.71%	1.0%
45 to 64	25.7%	29.7%	29.4%	1.48%	0.8%
65 and up	16.8%	18.9%	20.3%	1.20%	1.6%
Housing Units	110,533	121,622	131,776	0.96%	0.8%
Occupied	88.7%	84.5%	87.6%	0.47%	1.2%
Vacant	11.3%	15.5%	12.4%	4.21%	-1.4%
Households					
Total	41.0% 98,031	34.4% 102,742	34.2% 115,384	0.47%	1.2%
Under 34	20.4%	18.6%	18.6%	-0.42%	1.1%
35 to 44	20.6%	15.8%	15.6%	-2.19%	1.1%
45 to 54	19.4%	20.0%	19.0%	0.78%	0.6%
55 to 64	15.1%	18.3%	18.5%	2.47%	1.2%
65 and up	24.5%	27.2%	28.3%	1.53%	1.6%
Population Per	2.24	2.15	2.09	-0.43%	-0.28%

Sources: U.S. Bureau of the Census, 2000 and 2010;

American Community Survey, 2020; Applied Economics, 2021.

* Compound annual rate of change.

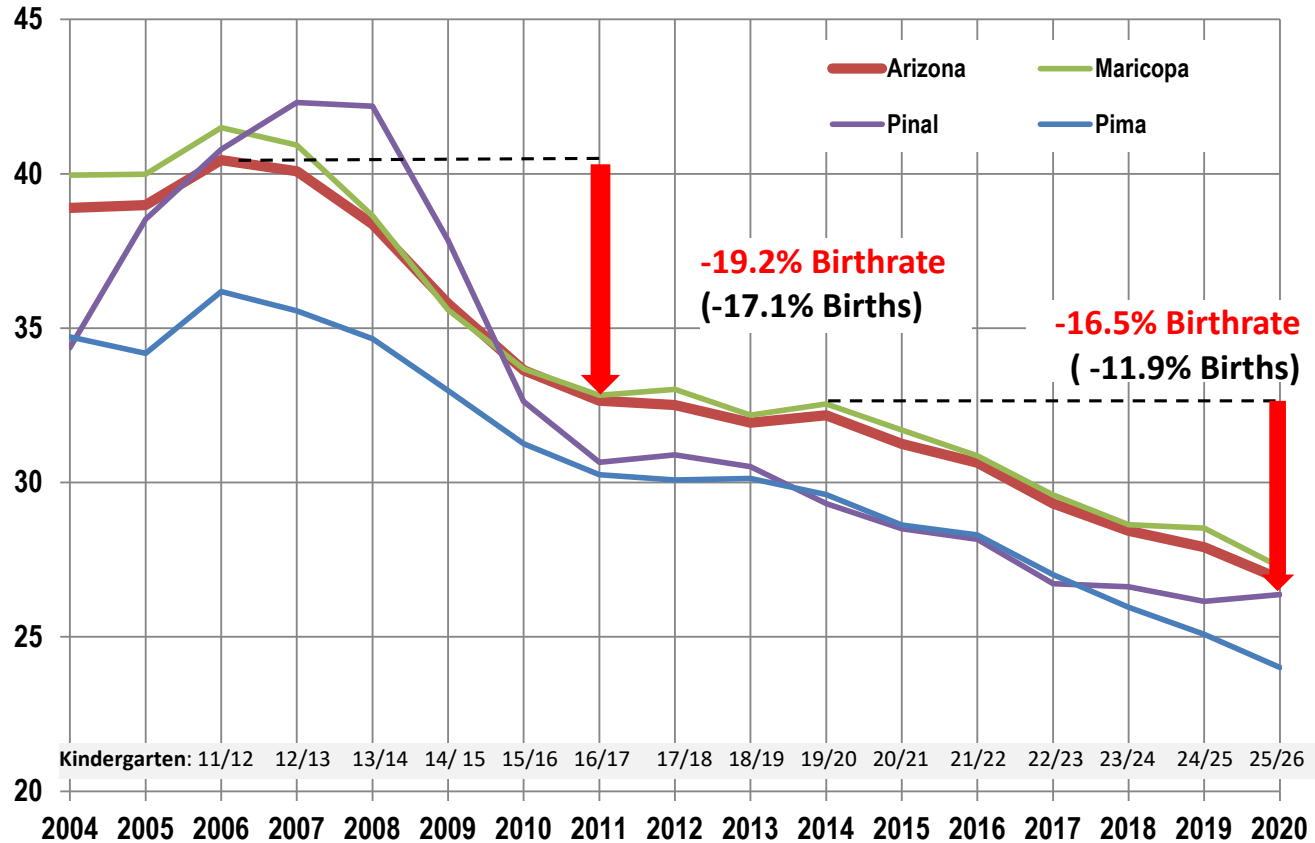
Population and housing continue to grow (albeit at a very modest rate) as vacancy rates fall from their high levels in post-recession 2010.

The share of the population under 18 years is still falling, but at a much slower rate than in the 2000's.

The age distribution of householders is still shifting away from the child-bearing cohorts, but at a slower pace.

Birth Rate Trends

Births per 1,000 people aged 15 to 45



Sources: Arizona Department of Health Services; Applied Economics, 2020.

Birth rates in Arizona plummeted over 19% during the recession.

The birth rate stabilized from 2011 through 2014, but headed downward again, by 16.5% through 2020, with a corresponding 11.9% decrease in the number of births, which will impact Kindergarten enrollment levels through at least 2025.

Alternative Providers

Charter School Enrollment

School Year	# of Schools	KG	1st	2nd	3rd	4th	5th	6th	7th	8th	9th	10th	11th	12th	Total K-12	Annual Change
2010-11	7	25	20	24	25	25	21	182	198	182	170	154	192	245	1,463	
2011-12	9	142	147	147	142	130	255	213	200	199	183	199	190	272	2,419	956
2012-13	9	144	144	140	146	132	257	321	249	257	183	197	231	314	2,715	296
2013-14	15	236	230	216	210	182	308	328	332	252	204	213	208	339	3,258	543
2014-15	18	356	339	324	333	299	393	404	379	313	188	262	259	355	4,203	945
2015-16	20	425	427	380	357	362	479	560	513	499	306	322	369	460	5,458	1,255
2016-17	20	499	503	515	481	503	626	617	511	502	333	350	322	490	6,252	794
2017-18	21	500	548	541	528	494	619	630	569	501	373	362	374	462	6,501	249
2018-19	22	694	689	712	714	701	678	671	613	554	387	375	395	525	7,708	1,207
2019-20	21	676	687	674	690	655	761	696	629	588	408	409	405	517	7,795	87
2020-21*	21	648	692	667	668	664	759	745	626	613	378	395	397	551	7,803	95

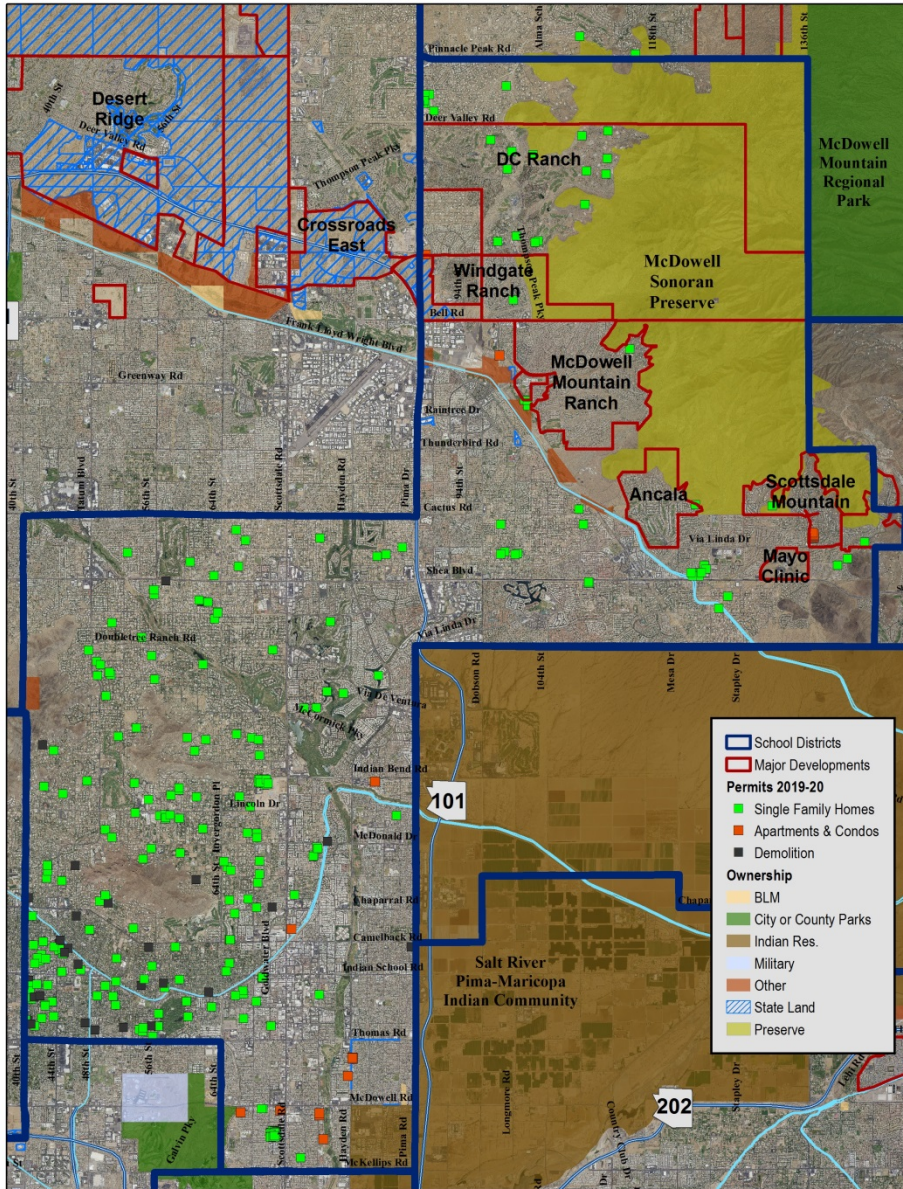
Source: Arizona Department of Education; Applied Economics 2021.

* Estimated based on 40th-day ADM data.

Charter school enrollment in the District has increased by about 6,300 students over the last ten years, with the largest increases occurring at the elementary level.

Private schools in the District serve an additional 4,450 K-12 students; this represents an increase of 200 students since 2015/16

Development Activity

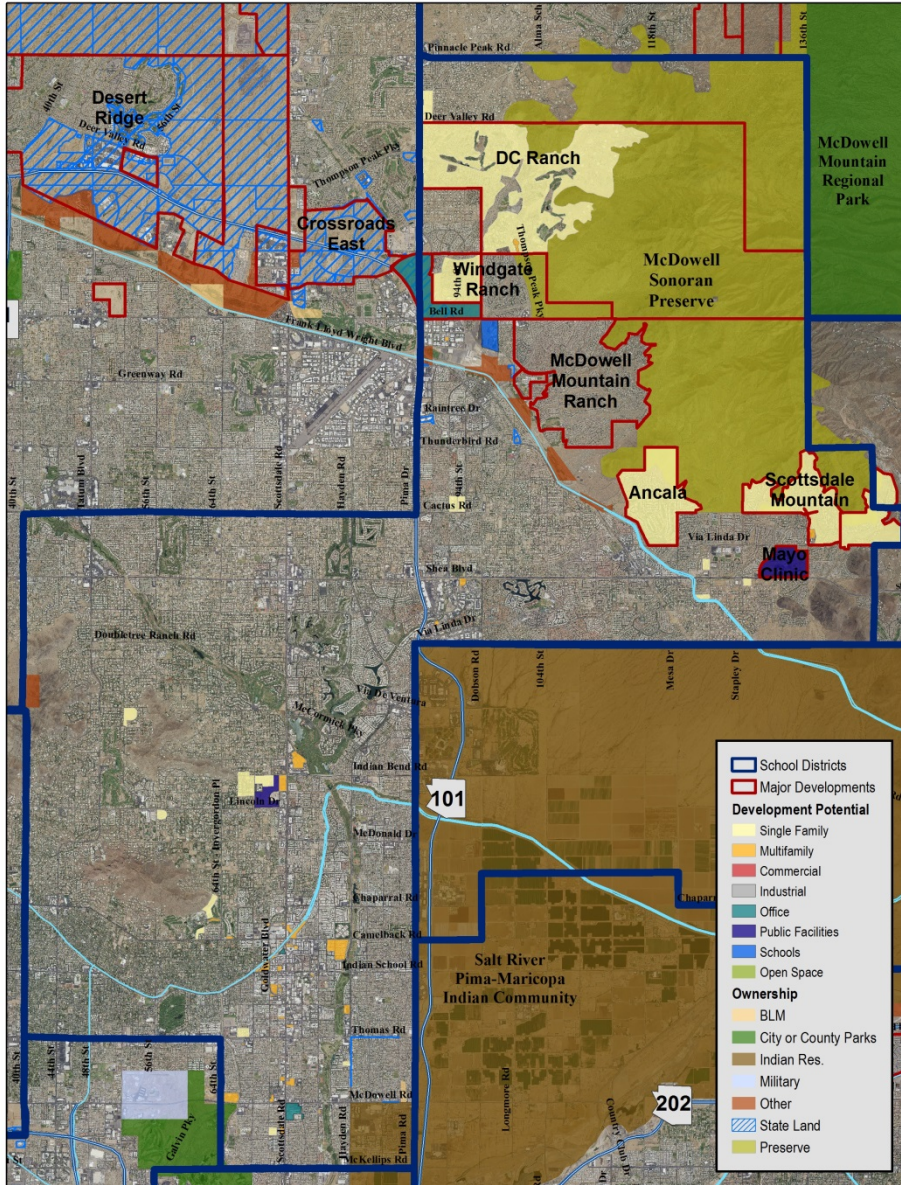


Nearly 10,500 new housing units have been constructed over the past 10 years, about 80% of which have been in multifamily projects.

Most new housing units are being added in multifamily projects in the southern and central parts of the District.

Low-density, in-fill development in the western portion of the District accounts for the largest number of new single family units

Development Potential

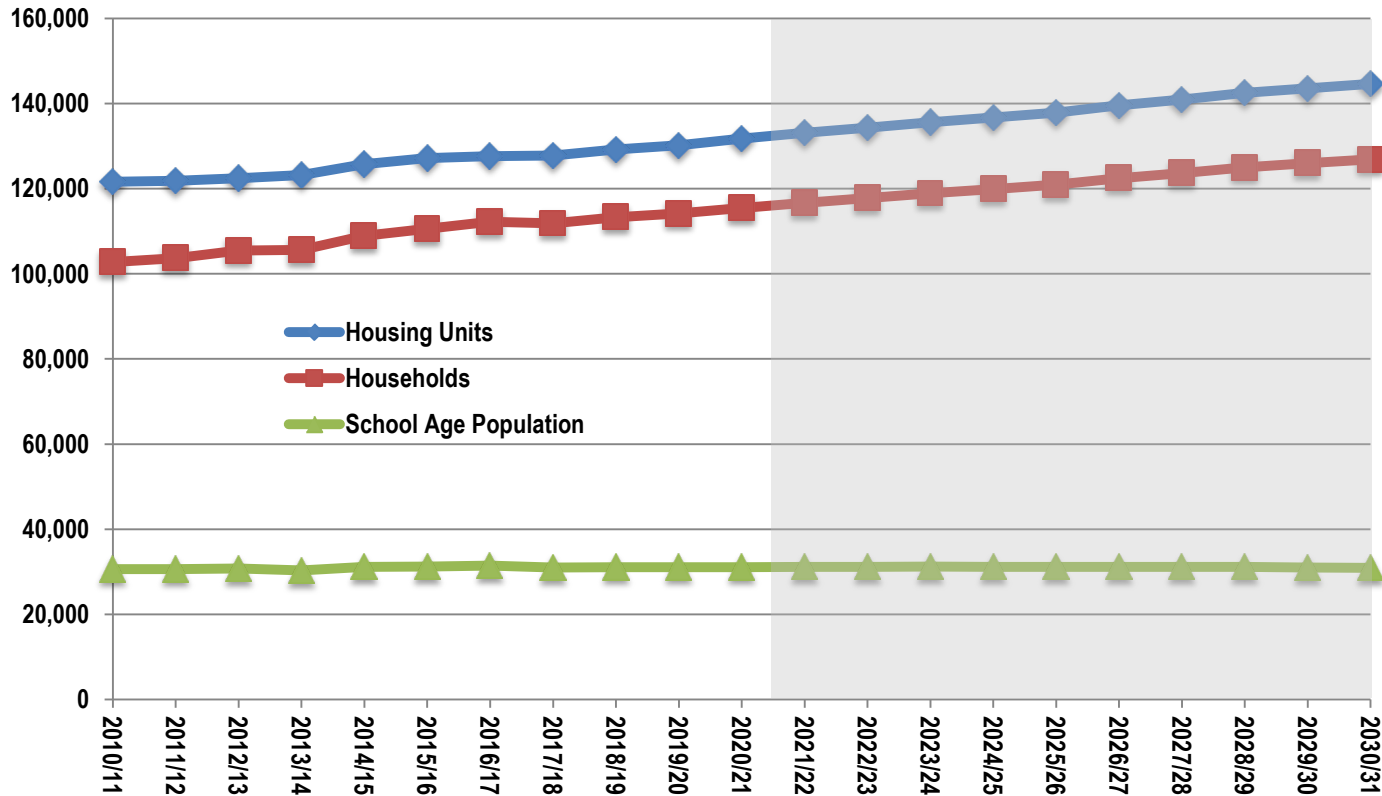


Current data shows a potential for about 19,000 additional housing units in the District.

This potential includes about 4,500 single family and 14,500 multifamily housing units.

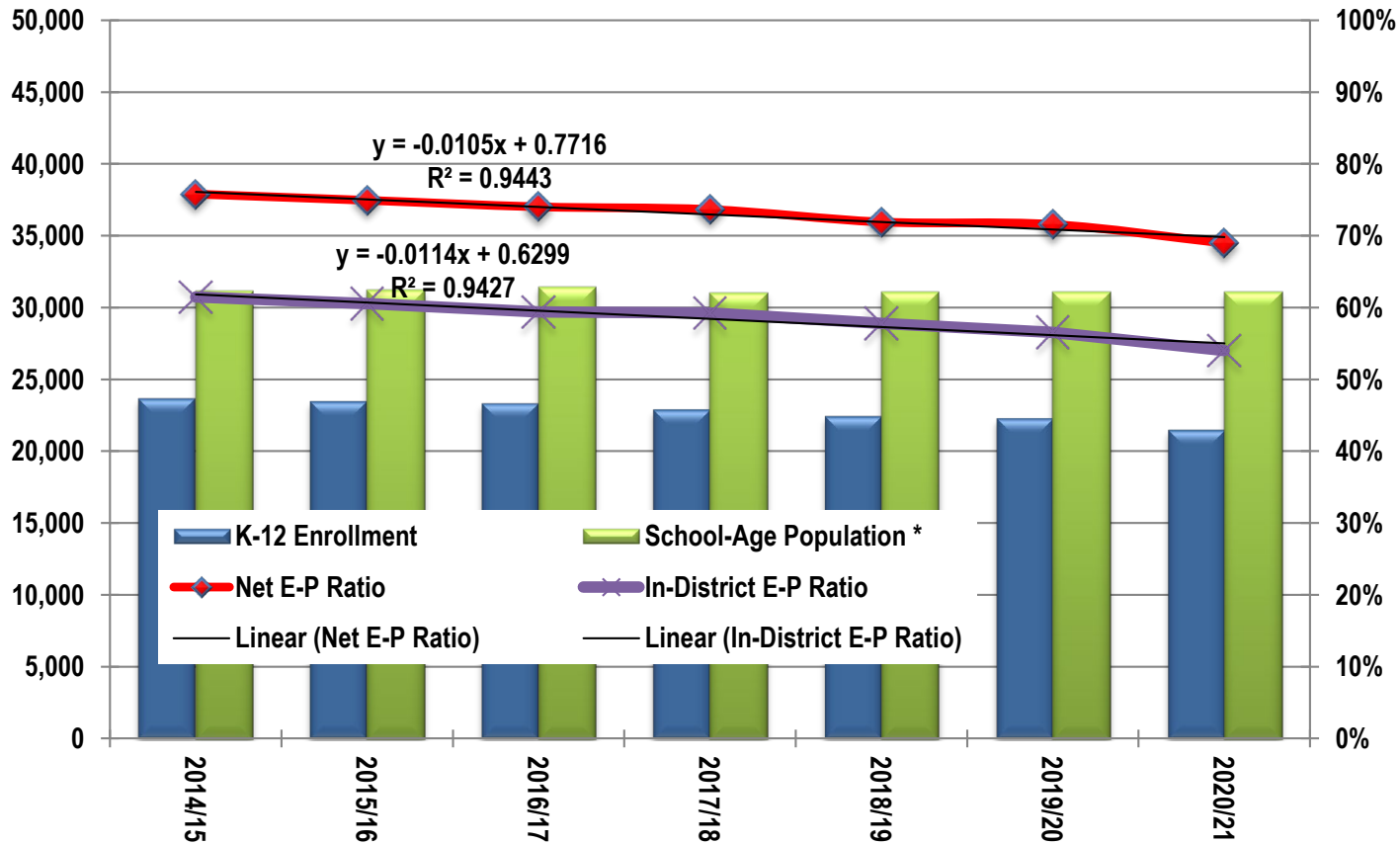
About 10,000 of the 19,000 new housing units will be from in-fill development and redevelopment that will take place over an extended number of years.

Projections : Housing and School-age Population



The school-age (persons 5 to 17) population of the District has not changed, even as new housing units, and households, continue to be added; this trend is expected to continue.

History : School-Age Population and Enrollment

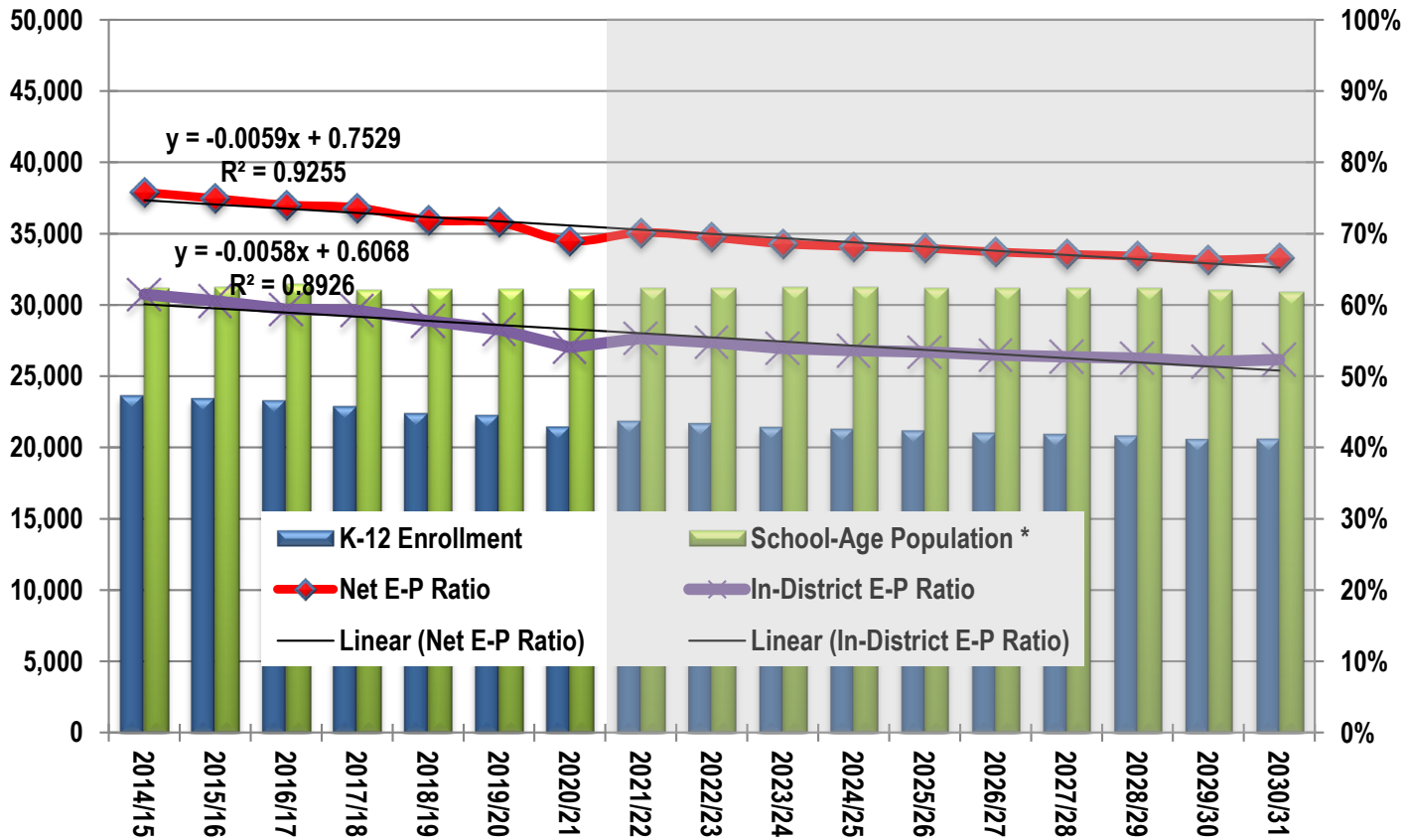


Sources: Scottsdale Unified School District; Applied Economics, 2021.

The gap between the school-age population and enrollment is irregular but declining.

The rate of decline in the E-P ratios has been markedly less since the big drop in 2014/15 and is now falling at about 1% per year, even with the losses this year included.

Projections: School-Age Population and Enrollment



Sources: Scottsdale Unified School District; Applied Economics, 2021.

A slight flattening of the trend exhibited since 2014/15 was used to produce the enrollment projections; this is due to the slowing of charter school growth in established areas with a decline of about 0.6% per year, compared with the 5-year decline rate of 1% percent per year.

District Enrollment Projections

Fall	Enrollment by Level				K-12 Total		
	K-5	6-8	K-8	9-12	Enrollment	Change	% Change
2010/11	11,266	5,798	17,064	8,925	25,989	-407	-1.5%
2011/12	11,088	5,898	16,986	8,705	25,691	-298	-1.1%
2012/13	10,856	5,613	16,469	8,698	25,167	-524	-2.0%
2013/14	10,555	5,684	16,239	8,536	24,775	-392	-1.6%
2014/15	9,749	5,442	15,191	8,413	23,604	-1,171	-4.7%
2015/16	9,690	5,299	14,989	8,425	23,414	-190	-0.8%
2016/17	9,417	5,356	14,773	8,507	23,280	-134	-0.6%
2017/18	9,192	5,298	14,490	8,363	22,853	-427	-1.8%
2018/19	8,788	5,210	13,998	8,373	22,371	-482	-2.1%
2019/20	8,681	5,101	13,782	8,451	22,233	-138	-0.6%
2020/21	8,337	4,855	13,192	8,245	21,437	-796	-3.6%
2021/22	8,613	4,973	13,586	8,411	21,997	560	2.6%
2022/23	8,531	4,919	13,450	8,412	21,862	-135	-0.6%
2023/24	8,621	4,719	13,340	8,310	21,650	-212	-1.0%
2024/25	8,665	4,598	13,263	8,303	21,566	-84	-0.4%
2025/26	8,727	4,437	13,164	8,340	21,504	-62	-0.3%
2026/27	8,766	4,532	13,298	8,115	21,413	-91	-0.4%
2027/28	8,792	4,586	13,378	7,971	21,349	-65	-0.3%
2028/29	8,796	4,656	13,452	7,832	21,284	-65	-0.3%
2029/30	8,767	4,644	13,411	7,667	21,078	-206	-1.0%
2030/31	8,744	4,631	13,375	7,752	21,127	49	0.2%

Source: Applied Economics, 2021.

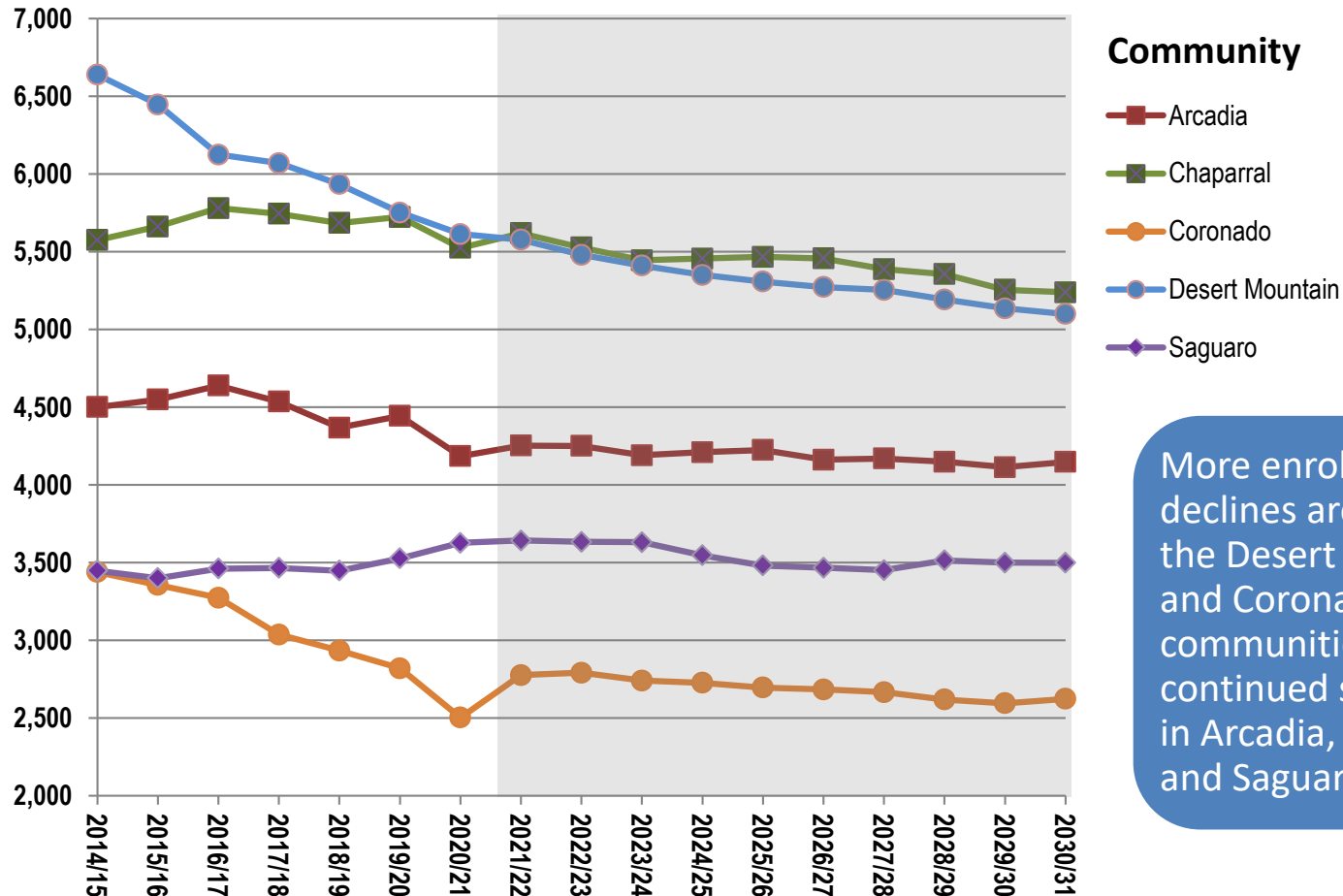
Bolding indicates actuals.

An overall decline of about 800 students over the next 10 years is projected, despite an increase of about 400 students next year as the impacts of COVID are mitigated.

K-8 enrollment is projected to continue to decline through at least 2025/26.

High school enrollment is projected to remain fairly stable for the next two to three years and then decline as smaller classes advance.

Sub-District Projections



More enrollment declines are likely in the Desert Mountain and Coronado communities, with continued stabilization in Arcadia, Chaparral and Saguaro.

Conclusions

Enrollment projections for next year contain a higher degree of uncertainty than usual due to the impacts of COVID-19 and will greatly benefit from 2020 Census data next year.

K-12 enrollment is likely to decline over the next ten years, the amount of which will be determined by the level of competition and resulting changes in the net enrollment-population ratio.

Demographic trends do not indicate the potential for a large increase in the school-age population, although some areas are likely to stabilize or regenerate during the projection period.

Housing construction will remain steady during the projection period, the bulk of which will continue to be in multifamily projects that are not targeted to families with children.

Continued enrollment declines are likely in the Coronado and Desert Mountain communities, with the other three communities being relatively stable.