

BOARD OF SCHOOL TRUSTEES  
KELLER INDEPENDENT SCHOOL DISTRICT

**11A. Report**

**Date: February 10, 2011**

**SUBJECT: UPDATE ON DEMOGRAPHICS AND ENROLLMENT PROJECTIONS**

**FUNCTION: Business**

**DISTRICT KEY STRATEGIC PRIORITY:**

- Excellence in Student, Parent, and Community Relations
- Excellence in Operational Processes and Systems

**FISCAL NOTE: None**

**Background Information:**

- Keller ISD has been a fast growth District for the past 10 years. Over 32,000 students are currently enrolled in the District.
- At build-out, the District anticipates housing between 35,000 to 40,000 students.

**Administrative Considerations:**

- A presentation will be given by the District’s demographic consultant, Bob Templeton, regarding the current and future growth trends within KISD.

**Communication Deployment:**

- Board Meeting Minutes

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Respectfully submitted,

Hudson Huff  
Director of Construction and Planning

# Keller ISD

## Quarterly Economic and Housing Analysis

### 4Q10

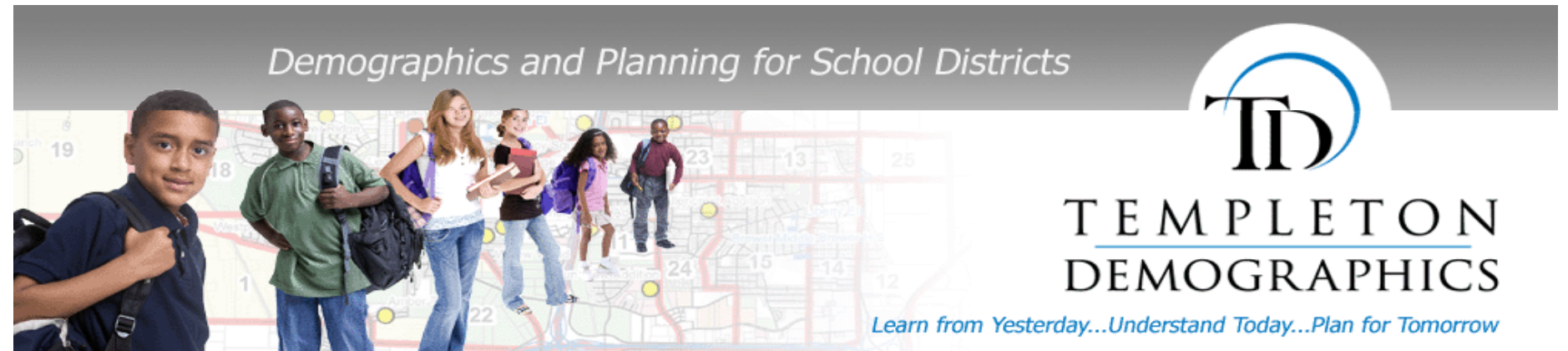
with Enrollment Projections

*Demographics and Planning for School Districts*



TEMPLETON  
DEMOGRAPHICS

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



# Economic Conditions

- Texas gained more than 230,000 jobs between December 2009 and December 2010. Ranked number 1 in job growth.
  - U.S. Bureau of the Census report that Texas added more people (nearly 4.3 million) than any other state between the census counts of 2000 and 2010.
  - The state's unemployment rate has been at or below the national rate for 47 consecutive months.
  - Unemployment rates - Texas Labor Market Review
    - U.S. 9.1%
    - Texas 8.0%
    - DFW 7.9%
    - Tarrant County 7.9%
    - Denton County 7.2%
  - DFW second in the nation with 36,700 new jobs as of Dec. 2010.
  - Texas and the nation returned to economic growth in 2010, with the nation increasing its GDP by 2.8 percent and Texas increasing its GSP by 3.4 percent.
- Texas Comptroller

# National Economic Overview

## Largest Employment MSAs (750,000+ Total Employment) Ranked by Change in Emp. – December 2010

Rank	MSA	Total Employment	Job Gains	% Change
1	Washington-Arlington-Alexandria DC-VA	3,007,200	57,500	1.9%
2	Dallas-Fort Worth-Arlington TX	2,909,000	36,700	1.3%
3	Phoenix-Mesa-Glendale, AZ	1,741,700	28,800	1.7%
4	Minneapolis-St. Paul-Bloomington MN-W	1,702,600	17,000	1.0%
5	Los Angeles-Long Beach-Santa Ana CA	5,170,200	16,700	0.3%
6	Seattle-Tacoma-Bellevue WA	1,662,700	16,100	1.0%
7	Austin-Round Rock-San Marcos, TX	774,000	15,200	2.0%
8	Baltimore-Towson MD	1,283,800	14,500	1.1%
9	Houston-Baytown-Sugar Land TX	2,542,600	13,100	0.5%
10	Cleveland-Elyria-Mentor OH	1,000,800	11,200	1.1%
11	Orlando-Kissimmee-Sanford, FL	1,016,800	11,100	1.1%
12	Pittsburgh PA	1,129,100	9,100	0.8%
13	San Jose-Sunnyvale-Santa Clara CA	854,600	8,500	1.0%
14	Denver-Aurora CO	1,195,800	8,400	0.7%
15	San Antonio-New Braunfels, TX	838,800	7,000	0.8%

Source: Metrostudy - MetroUSA

# National Economic Overview

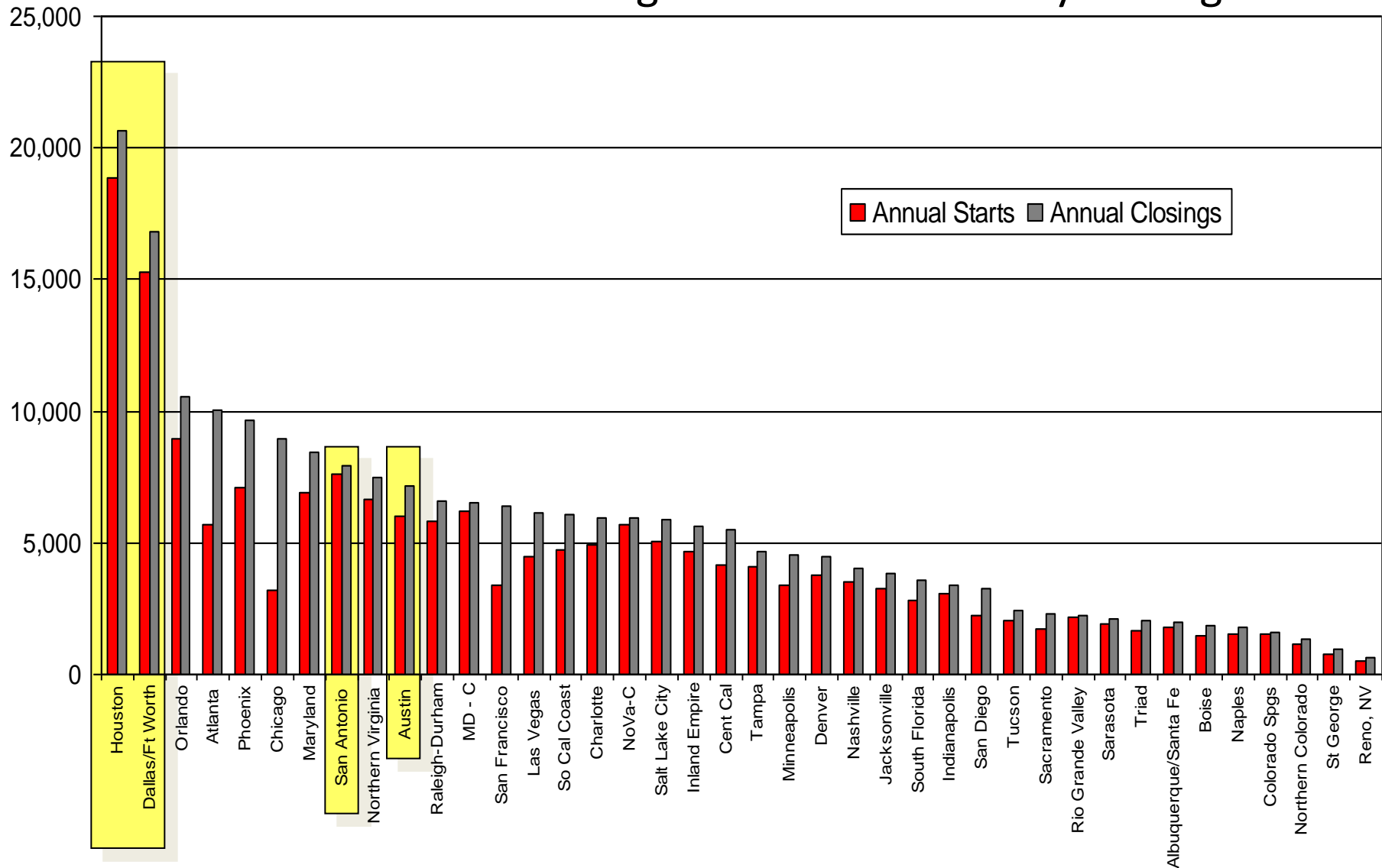
## Top 15 States – Ranked by Ann. SF Permits December 2010

<b>Rank</b>	<b>MSA</b>	<b>Permits</b>	<b>Change</b>
<b>1</b>	<b>Texas</b>	<b>65,451</b>	<b>-500</b>
<b>2</b>	<b>Florida</b>	<b>30,873</b>	<b>3,358</b>
<b>3</b>	<b>North Carolina</b>	<b>26,222</b>	<b>439</b>
<b>4</b>	<b>California</b>	<b>24,928</b>	<b>788</b>
<b>5</b>	<b>Pennsylvania</b>	<b>17,669</b>	<b>2,985</b>
<b>6</b>	<b>Virginia</b>	<b>16,272</b>	<b>55</b>
<b>7</b>	<b>Washington</b>	<b>14,408</b>	<b>1,621</b>
<b>8</b>	<b>Georgia</b>	<b>13,917</b>	<b>-194</b>
<b>9</b>	<b>South Carolina</b>	<b>13,170</b>	<b>-550</b>
<b>10</b>	<b>Tennessee</b>	<b>11,666</b>	<b>-205</b>
<b>11</b>	<b>Arizona</b>	<b>10,972</b>	<b>-1,863</b>
<b>12</b>	<b>Ohio</b>	<b>10,561</b>	<b>88</b>
<b>13</b>	<b>New York</b>	<b>10,334</b>	<b>865</b>
<b>14</b>	<b>Louisiana</b>	<b>10,261</b>	<b>-625</b>
<b>15</b>	<b>Indiana</b>	<b>9,947</b>	<b>94</b>

Source: Metrostudy - MetroUSA

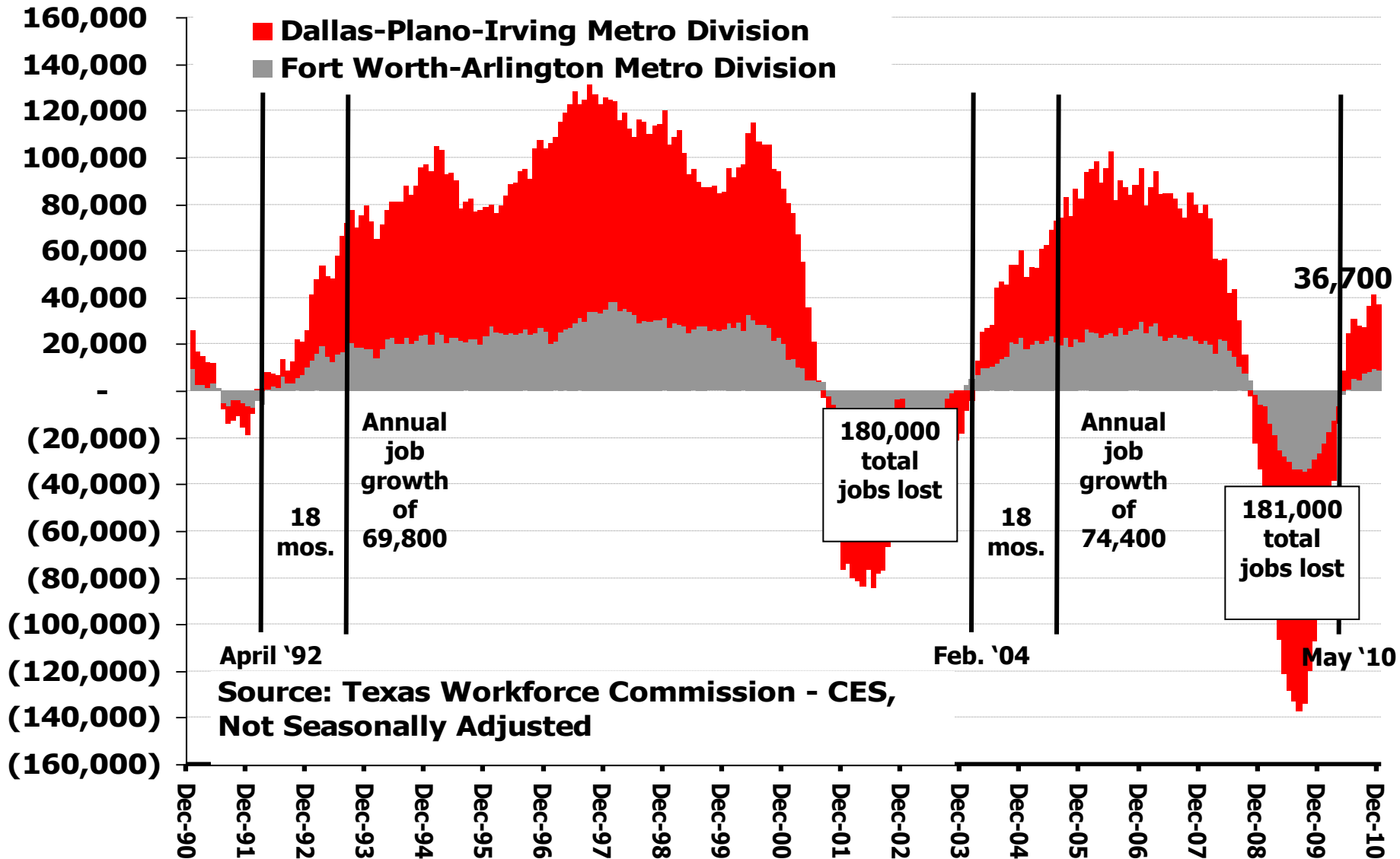
# National Comparison

## DFW the second largest market ranked by closings



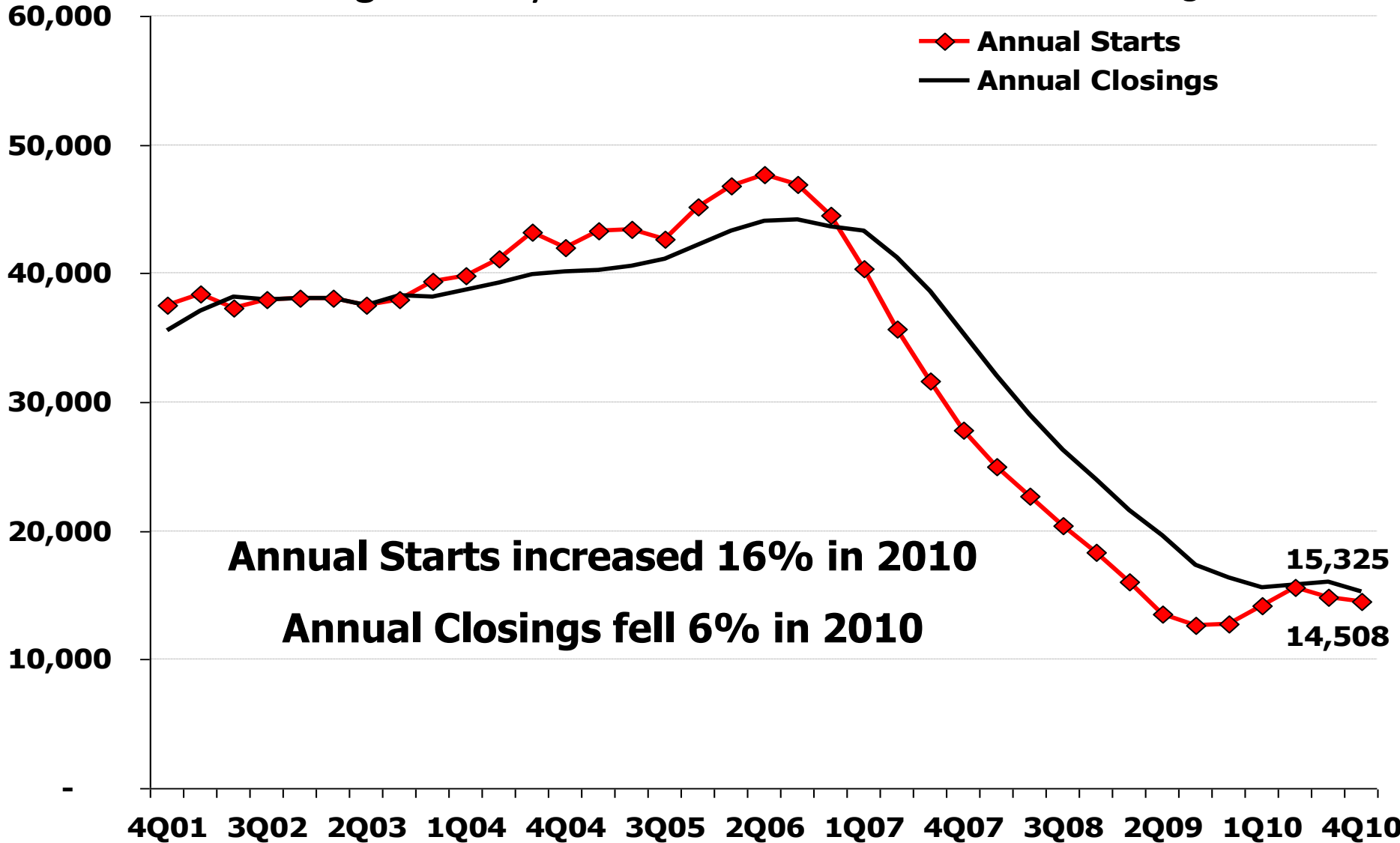
# Dallas Fort Worth Market

## Annual Job Growth – 20 year history



# Dallas/Fort Worth Market

## Single Family Detached – Annual Starts and Closings

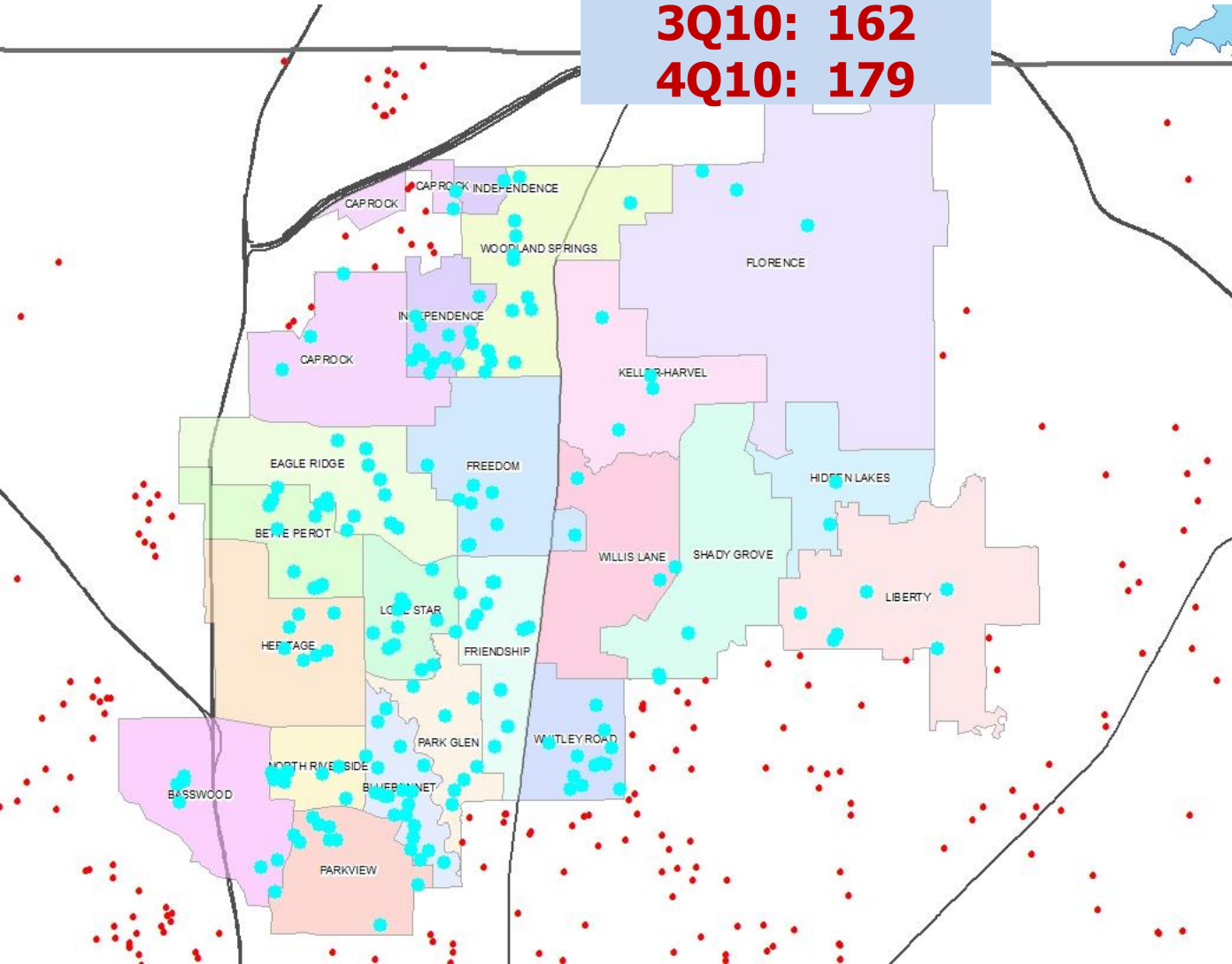


# Keller ISD Foreclosures

**3Q10: 162**  
**4Q10: 179**



ISD	3Q10	4Q10
Dallas ISD	689	716
Fort Worth ISD	312	383
Garland ISD	272	311
Arlington ISD	264	299
Lewisville ISD	195	231
Mansfield ISD	189	213
Mesquite ISD	199	206
Frisco ISD	168	203
Keller ISD	162	179
Denton ISD	138	152
Plano ISD	196	151
Grand Prairie ISD	138	144
Crowley ISD	106	143
Eagle Mt-Saginaw ISD	123	137
Richardson ISD	111	136
Birdville ISD	89	123
Irving ISD	115	117
Northwest ISD	73	114
Carrollton-Farmers Branch ISD	99	113
De Soto ISD	111	112
Hurst-Eules-Bedford ISD	102	105
McKinney ISD	141	103



# New Home Ranking Report

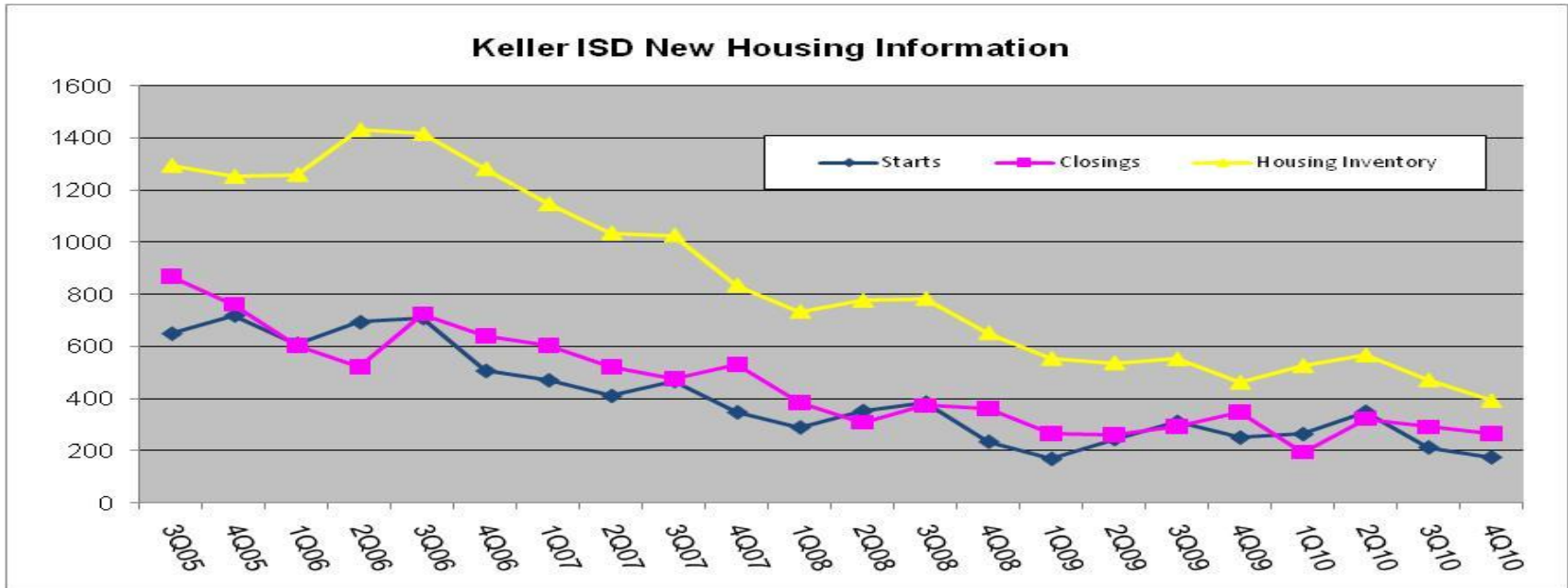
## *Inventory Analysis By School District*

*Dallas-Fort Worth*

Ranked By Annual Starts

<i>School District</i>	<i>Annual Starts</i>	<i>Annual Closings</i>	<i>Current Housing Inventory</i>	<i>Months of Supply</i>	<i>Current VDL Inventory</i>	<i>Months of Supply</i>	<i>Future Inventory</i>
<i>Frisco Isd</i>	1,604	1,680	800	5.7	5,100	38.2	7,844
<i>Northwest Isd</i>	1,099	1,174	466	4.8	3,056	33.4	29,732
<i>Keller Isd</i>	1,017	1,084	400	4.4	2,451	28.9	3,543
<i>Denton Isd</i>	909	967	416	5.2	3,172	41.9	14,351
<i>Mansfield Isd</i>	633	699	330	5.7	1,940	36.8	6,239
<i>Lewisville Isd</i>	614	682	297	5.2	2,288	44.7	1,534
<i>Eagle Mt-saginaw Isd</i>	607	591	276	5.6	2,644	52.3	12,050
<i>Prosper Isd</i>	569	540	284	6.3	2,069	43.6	13,012
<i>Allen Isd</i>	508	524	259	5.9	1,077	25.4	1,546
<i>Mckinney Isd</i>	501	477	253	6.4	1,665	39.9	3,254
<i>Little Elm Isd</i>	496	491	168	4.1	1,429	34.6	6,522
<i>Wylie Isd</i>	444	445	196	5.3	930	25.1	1,754
<i>Crowley Isd</i>	435	489	181	4.4	2,750	75.9	8,338

# Keller ISD New Housing Activity

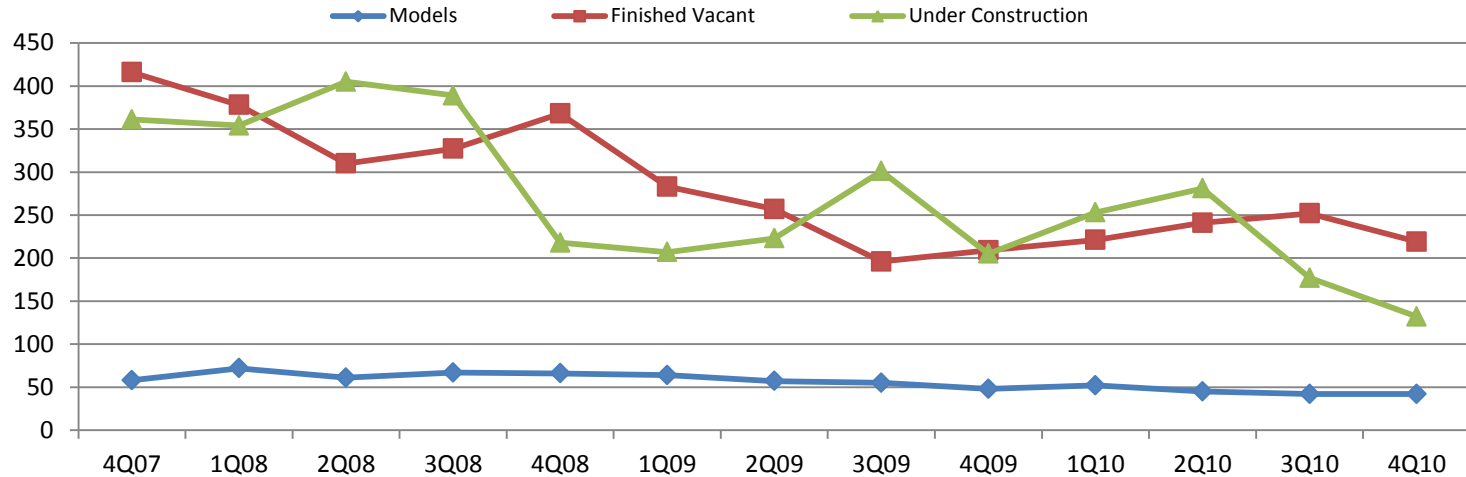


- Starts dropped to 175 homes, representing only the 2<sup>nd</sup> time in 7 years that new home starts had fell below 200 for a quarter.
- Closings continue to slow as 266 homes closed during the 4<sup>th</sup> quarter and the annual rate finished at 1,076 homes. This drop is likely to continue following a slow starting quarter.
- Housing Inventory continues to fall as builder sell of existing inventory and new home construction continues to decline.

Starts	2004	2005	2006	2007	2008	2009	2010
1Q	628	706	611	471	290	169	264
2Q	634	825	694	411	353	245	350
3Q	764	650	710	468	385	311	213
4Q	657	720	507	348	235	251	175
Total	2683	2901	2522	1698	1263	976	1002

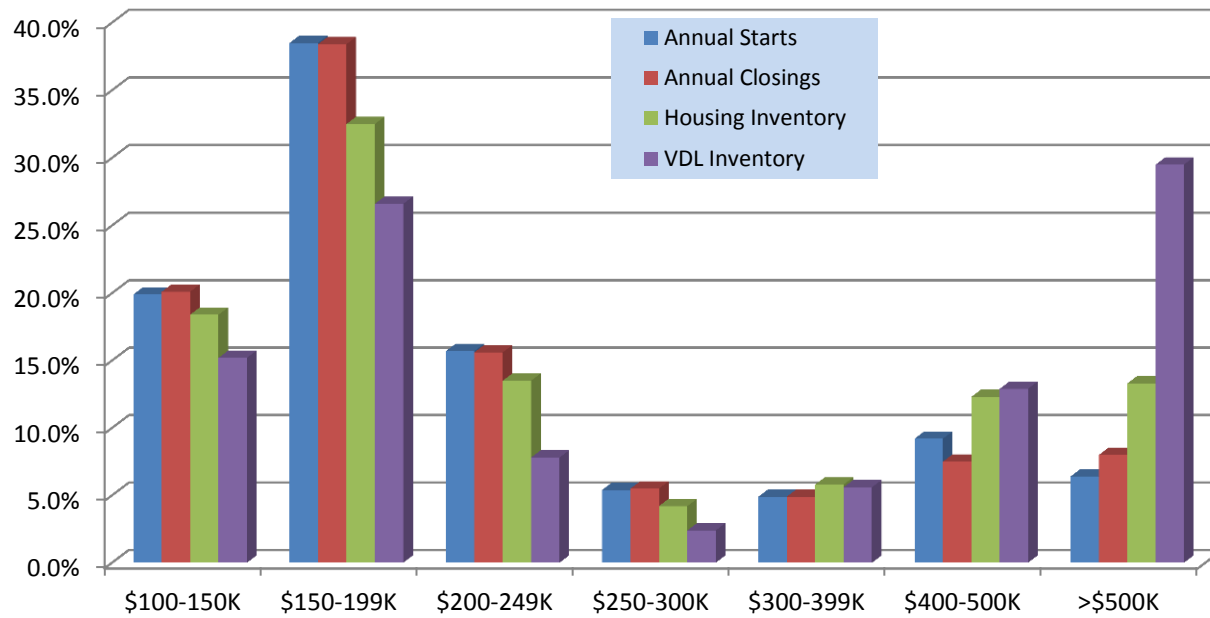
Closing	2004	2005	2006	2007	2008	2009	2010
1Q	613	588	604	606	386	266	195
2Q	696	711	522	523	309	262	323
3Q	704	870	725	476	374	294	292
4Q	739	762	641	532	363	349	266
Total	2752	2931	2492	2137	1432	1171	1076

# Keller ISD Historical Housing Inventory



- New homes under construction in Keller ISD dropped to 132, the lowest pace in recent history.
- Builders worked finished inventory down to 219 homes during the 4<sup>th</sup> quarter
- As the months supply of finished inventory declines builder may begin to pick up the pace of new construction.

# Keller ISD Housing Activity By Price Point



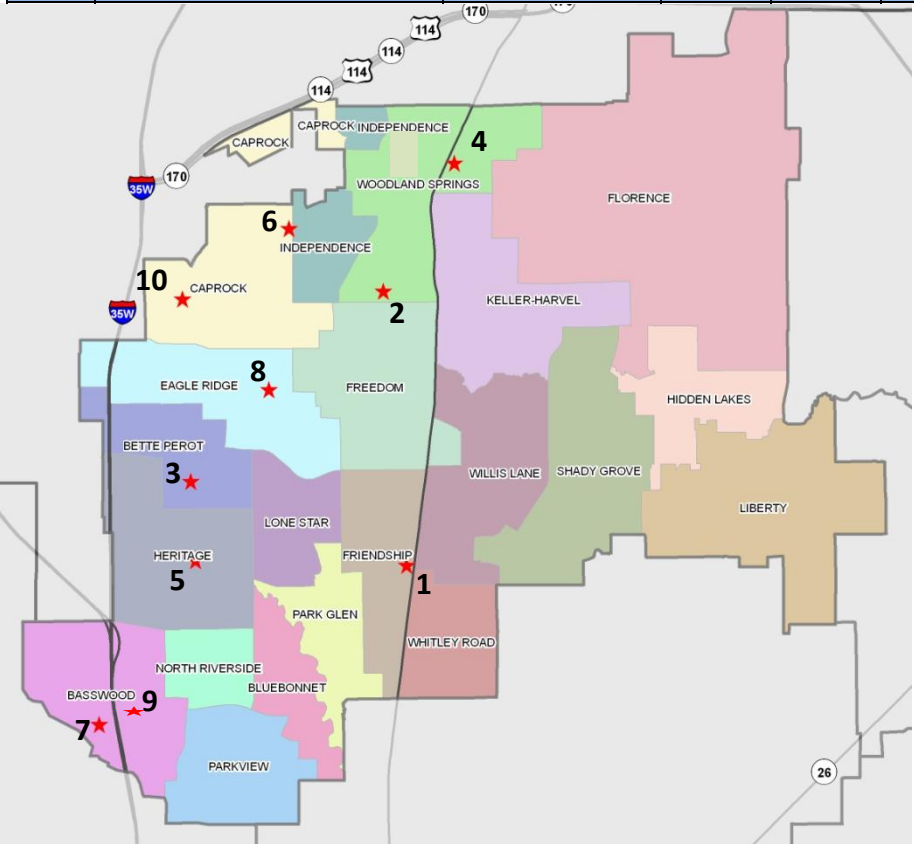
- 50% of KISD's remaining housing inventory is in the under \$200K price point.
- 30% of the vacant developed lots are in the 500K or greater price point.



# Subdivision Activity

Top 10 Subdivisions - 4Q10 (Ranked by Annual Closings)

Rank	Subdivision	Elementary Zone	Annual Starts	Quarter Starts	Annual Closings	Quarter Closings	Occ.	Models	F/V	U/C	VDL	Future	Total
1	Valley Brook Estates	FRIENDSHIP	146	30	147	49	448	4	32	13	71	99	667
2	Villages of Woodland Springs	WOODLAND SPRINGS	124	16	115	23	436	4	35	13	226	0	714
3	Heritage (Ft. Worth)	BETTE PEROT	68	11	110	14	2,868	1	9	10	90	181	3,159
4	Marshall Ridge	MARSHALL RIDGE	111	8	110	28	264	4	18	9	182	488	965
5	Arcadia Park	HERITAGE	59	17	48	18	822	2	7	11	57	0	899
6	Villages Woodland Springs/Springs W	CAPROCK	48	9	43	16	155	2	6	5	96	104	368
7	Santa Fe Enclave	BASSWOOD ELEM	33	0	42	6	184	2	10	0	54	61	311
8	Big Bear Creek Meadows	CAPROCK	33	6	37	5	95	1	4	3	74	0	177
9	Carriage Hills	BASSWOOD ELEM	46	17	30	12	128	1	10	9	69	0	217
10	Villages Woodland Springs/Timber M	CAPROCK	27	11	28	5	125	4	6	10	28	0	173
TOTALS			695	125	710	176	5,525	25	137	83	947	933	7,650

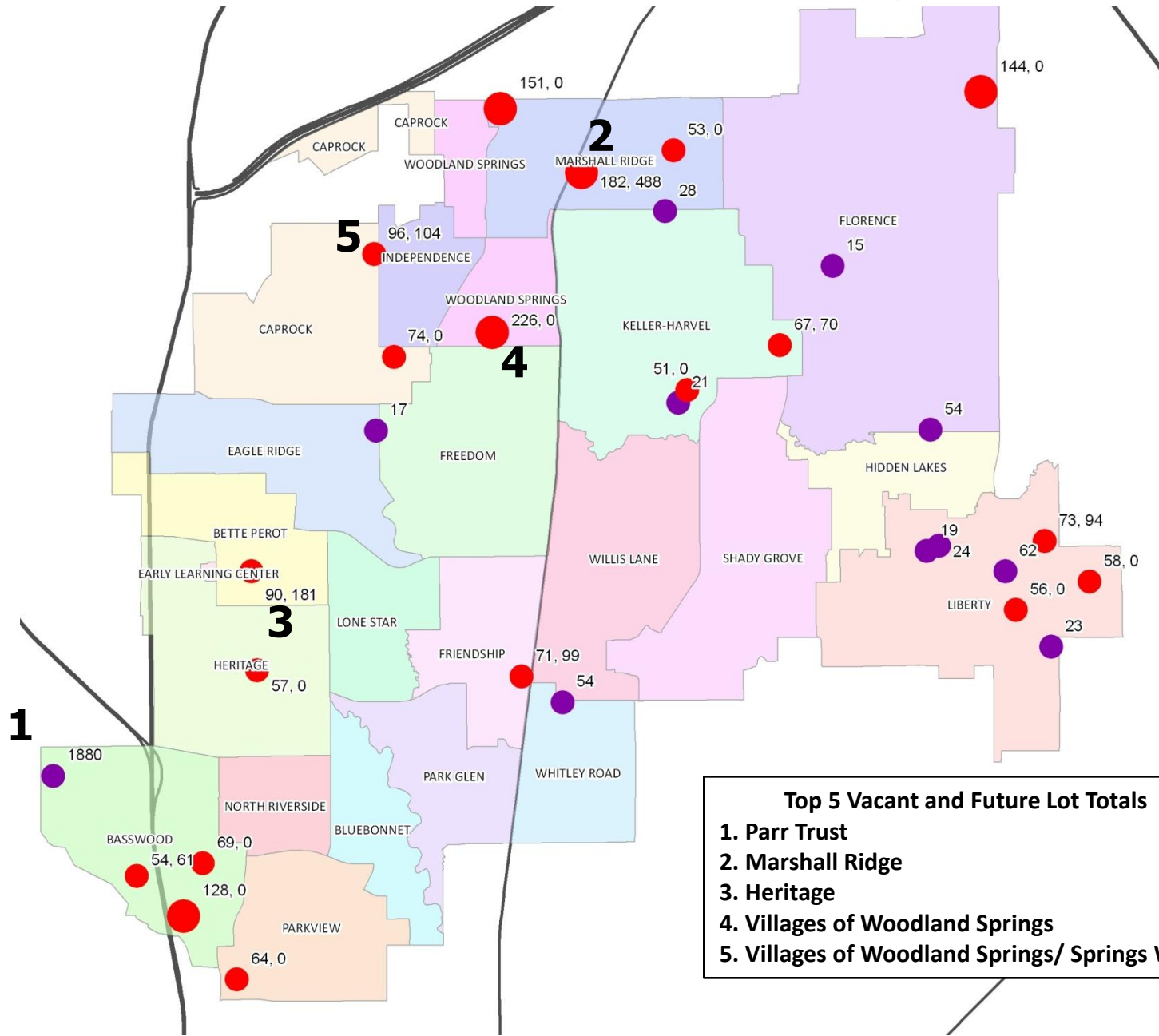


- Top 10 subs represent 66% of all closings in the district over the past 4Qs .

- Top 10 subs represent 69% of all starts in the district over the past 4Qs

- These subdivisions now have less than 1,000 vacant lots. Less than a 1-year supply at the current pace.

# Vacant and Future Lots– 5,791



**Top 5 Vacant and Future Lot Totals**

- 1. Parr Trust**
- 2. Marshall Ridge**
- 3. Heritage**
- 4. Villages of Woodland Springs**
- 5. Villages of Woodland Springs/ Springs West**

# Sub Totals by Elementary Campus

ELEM	TYPE	Annual Starts	Quarter Starts	Annual Closings	Quarter Closings	Occupied	Models	Finished Vacant	Under Const.	Under INV	Vacant Lot	Dev. Future	Total
<b>BASSWOOD ELEM Total</b>		99	17	108	27	944	5	28	9	42	271	1,941	3,198
BETTE PEROT Total		0	0	0	0	3,494	0	0	0	0	0	0	3,494
BLUEBONNET Total		0	0	0	0	2,480	0	0	0	0	0	0	2,480
CAPROCK Total		127	26	130	33	900	7	16	18	41	204	104	1,249
EAGLE RIDGE Total		3	0	14	0	1,723	0	0	0	0	4	17	1,744
FLORENCE Total		32	13	41	10	1,417	1	6	15	22	253	110	1,802
FREEDOM Total		88	13	137	17	1,428	2	13	12	27	108	181	1,744
FRIENDSHIP Total		146	30	147	49	1,858	4	32	13	49	71	99	2,077
HERITAGE Total		74	19	61	22	1,456	3	12	11	26	80	0	1,562
HIDDEN LAKES Total		3	0	1	0	1,546	1	4	0	5	69	0	1,620
INDEPENDENCE Total		8	2	11	1	1,333	0	2	1	3	15	0	1,351
KELLER-HARVEL Total		47	10	50	12	571	2	15	11	28	140	119	858
LIBERTY Total		15	4	25	11	2,109	1	12	6	19	358	265	2,751
LONE STAR Total		0	0	0	0	602	0	0	0	0	0	0	602
MARSHALL RIDGE Total		175	15	170	37	1,325	8	33	15	56	386	488	2,255
NORTH RIVERSIDE Total		0	0	0	0	4,358	0	0	0	0	0	0	4,358
PARK GLEN Total		0	0	0	0	1,881	0	0	0	0	0	0	1,881
PARKVIEW Total		10	3	9	2	806	2	1	3	6	64	0	876
SHADY GROVE Total		30	6	27	11	1,435	2	8	3	13	88	51	1,587
WHITLEY ROAD Total		0	0	0	0	0	0	0	0	0	0	54	54
WILLIS LANE Total		7	1	8	1	1,394	0	2	1	3	25	0	1,422
WOODLAND SPRINGS Total		124	16	115	23	2,118	4	35	13	52	226	0	2,396
<b>Grand Total</b>		<b>988</b>	<b>175</b>	<b>1,054</b>	<b>256</b>	<b>35,178</b>	<b>42</b>	<b>219</b>	<b>131</b>	<b>392</b>	<b>2,362</b>	<b>3,429</b>	<b>41,361</b>

# Enrollment History

Year (Oct.)	EE/PreK	K	1st	2nd	3rd	4th	5th	6th	7th	8th	9th	10th	11th	12th	Total	Total Growth	Total %
2003/04	341	1,622	1,884	1,745	1,734	1,705	1,714	1,708	1,745	1,709	1,806	1,548	1,293	1,249	21,803		
2004/05	402	1,751	1,981	2,005	1,861	1,899	1,821	1,882	1,836	1,827	1,977	1,673	1,510	1,330	23,755	1,952	8.95%
2005/06	467	1,901	2,118	2,114	2,152	2,032	2,011	1,974	2,010	1,945	2,082	1,917	1,637	1,511	25,871	2,116	8.91%
2006/07	487	1,969	2,279	2,244	2,325	2,307	2,242	2,170	2,122	2,143	2,170	2,022	1,787	1,638	27,905	2,034	7.86%
2007/08	469	1,994	2,456	2,368	2,383	2,467	2,434	2,399	2,339	2,273	2,449	2,073	1,811	1,681	29,596	1,691	6.06%
2008/09	529	1,910	2,375	2,489	2,471	2,477	2,479	2,466	2,480	2,345	2,438	2,168	1,904	1,754	30,285	689	2.33%
2009/10	519	2,288	2,302	2,483	2,587	2,532	2,545	2,531	2,538	2,544	2,619	2,263	2,063	1,801	31,615	1,330	4.39%
2010/11	541	2,473	2,456	2,411	2,531	2,675	2,587	2,636	2,588	2,571	2,748	2,452	2,131	2,015	32,815	1,200	3.80%

**\*Yellow box = largest grader per year**

**\*Green box = second largest per year**

# Enrollment Projections

## 1-Year by campus and grade

Forecast Fall 2011								
Elementary		EE/Pre -K	K	1st	2nd	3rd	4th	Total
Bette Perot			160	160	133	143	137	733
Bluebonnet			131	134	133	123	121	642
Eagle-Ridge			166	177	135	154	127	759
Florence			104	109	102	106	126	547
Freedom			110	113	96	94	110	523
Friendship			118	120	121	108	110	577
Heritage			117	120	133	106	116	592
Hidden Lakes			126	123	107	112	122	590
Independence			97	92	98	113	102	502
Keller Harvel			90	90	103	89	112	484
Liberty			104	104	103	102	104	517
Marshall Ridge			81	84	91	80	81	417
Lone Star			145	145	151	140	147	728
North Riverside	Bi-lingual		42	46	28	29	27	172
	Regular		87	84	76	80	97	424
Park Glen			133	132	137	127	134	663
Parkview	Bi-lingual		10	11	0	0	0	21
	Regular		119	124	146	118	135	642
Shady Grove			94	95	108	101	110	508
Whitley Rd.	Bi-lingual		15	14	16	6	13	64
	Regular		84	84	81	78	93	420
Willis Lane			92	98	108	122	128	548
Woodland Springs			122	121	115	154	136	648
Caprock	Bi-lingual		21	28	25	15	14	103
	Regular		100	94	107	98	121	520
Basswood			91	87	72	86	68	404
Keller Early Learning Center	Bi-lingual	4						4
	Regular	540						540
Total Elem. Bilingual		4	88	99	69	50	54	364
<b>Total Elementary</b>		<b>548</b>	<b>2,647</b>	<b>2,688</b>	<b>2,594</b>	<b>2,534</b>	<b>2,645</b>	<b>13,292</b>

# Enrollment Projections

## 1-Year by campus and grade

Forecast Fall 2011									
<b>Intermediate</b>						5th	6th	Total	
Bear Creek						375	436	811	
Chisholm Trail						512	445	957	
Parkwood Hill						573	605	1,179	
South Keller						431	436	867	
Trinity Meadows	Bi-lingual					42	27	69	
	Regular					433	459	892	
Timberview						290	268	558	
<b>Total Int.</b>						2,656	2,676	5,331	
<b>Middle School</b>						7th	8th	Total	
Fossil Hill						474	449	923	
Hillwood						596	592	1,188	
Indian Springs						431	447	878	
Keller						431	435	865	
Trinity Springs						479	483	962	
Timberview						268	239	507	
<b>Total M.S.</b>						2,678	2,644	5,322	
<b>High School</b>					9th	10th	11th	12th	Total
Central					714	644	611	569	2,538
Fossil Ridge					722	612	494	500	2,328
Keller					718	661	675	601	2,655
Timber Creek					662	573	492	325	2,052
New Direction					3	5	22	32	62
<b>Total H.S.</b>					2,819	2,495	2,294	2,027	9,635
<b>Total Enrollment Fall 2011</b>								33,580	
<b>Total Enrollment Fall 2010</b>								32,789	
<b>Growth</b>								791	

## Summary

- Texas economy is emerging from the recession with job and population growth across the state
- New housing will continue to struggle due to tight mortgage qualifications and consumer confidence
- DFW outlook is strong with continued job growth
- Keller ISD new housing market could drop below 1,000 homes in 2011
- Keller ISD projected to increase by almost 800 students this year.
- Fall 2011 enrollment = 33,580