Demographic Analysis & Enrollment Projections Report

Hillsborough City School District

May 2024

Prepared for:
Hillsborough City School District
300 El Cerrito Ave
Hillsborough, CA 94010
650.342.5193
www.hcsdk8.org

Prepared by:
King Consulting
2901 35th St.
Sacramento, CA 95817
916.706.3538
www.kinginc.com

TABLE OF CONTENTS

EXECUTIVE SUMMARY

This Demographic Analysis and Enrollment Projections Report for the Hillsborough City School District (HCSD) was prepared by King to supply the District with relevant and accurate information on its demographics and enrollment trends. The report contains a vast array of information that District staff in many areas will find useful and informative. This Executive Summary provides the most pertinent findings as they relate to the District's enrollment trends.

King accounts for a range of plausible demographic trends with Low, Moderate, and High projections of HCSD enrollment. While the Low and High projections are useful to see how enrollment could look if the most extreme recent variables repeat in the short term, the Moderate projection is recommended for planning purposes as it provides a balanced long-term look that will normalize fluctuations in enrollment trends over time. The Moderate projection will be highlighted in this Executive Summary.

Historical enrollment trends are based on certified State enrollment totals as provided by the California Department of Education, which are based on enrollment as of the census day each year in early October. Over the last decade, HCSD's enrollment decreased in every year but one, resulting in a total decrease of 18.3% since 2014-15. Since 2019-20, however, the rate of enrollment decrease has lessened.

The ultimate cause of this decreasing enrollment is "cohort replacement," whereby there is a difference in size between the new incoming kindergarten cohorts and the older student cohorts matriculating out of HCSD. The size of the current HCSD kindergarten cohort is 100 students, while there were 149 kindergarten students in the cohort from 2015-16. HCSD has two offsetting factors that can potentially mitigate the enrollment decreases caused by a decreasing population of children in the District and the replacement of older, larger cohorts with smaller cohorts of incoming students each year:

- Transitional Kindergarten – Transitional Kindergarten (TK) became mandatory for all California school districts to offer families in 2022-23, prior to which time HCSD has not provided TK instruction for several years. Most of the District's enrollment gain in 2022-23 was the result of adding TK students for the first time in that year. TK eligibility will continue to expand through 2025-26, when every four-year-old in the District will be eligible to enroll in what will become an effective new grade level. This is likely to lead to more enrolled TK students each year of the rollout, thereby boosting the District's total enrollment in the short-term above what it would otherwise have been, as more eligible students enroll.
    - It is important to note that while this program will allow HCSD to enroll more students one year sooner, the number of students in each birth/grade cohort is unaffected.

- Existing Cohort Net Growth – Once a cohort of students is enrolled at HCSD, its population will change from one year to the next. On net, HCSD tends to add more students than it loses, leading to net growth of its cohort sizes each year, particularly in elementary school. This trend is dampened by a persistent net loss of HCSD students entering middle school, as 5th grade cohorts decreased in

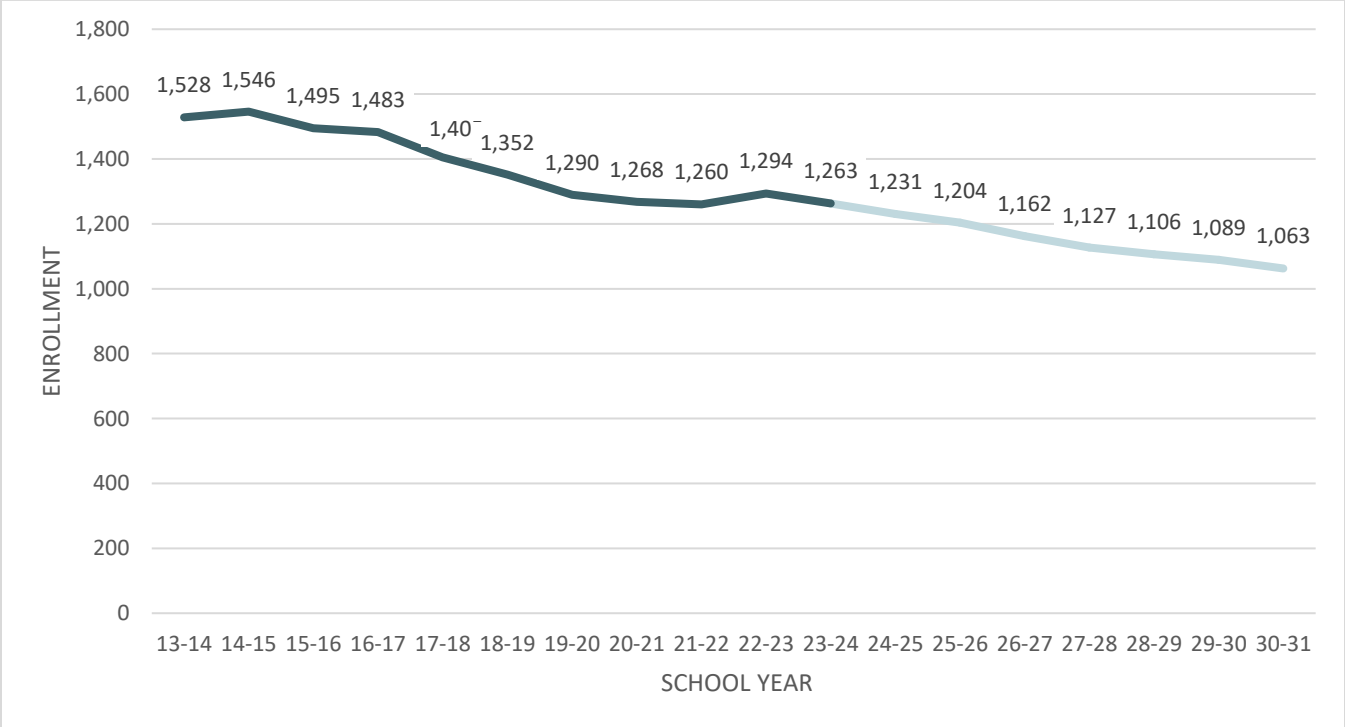
size by an average of 9% when moving to 6th grade in recent years. All other grade levels, however, recorded a net growth in the number of students in the current year. This growth from new families moving into HCSD with school age children helps to offset the enrollment decrease that results from increasingly small new cohorts of kindergarten students, but in most years this growth of existing cohorts is not enough to entirely reverse the cohort replacement effect.

Despite these offsetting factors, future HCSD enrollment is expected to be driven largely by continuing replacement of older, larger cohorts with smaller new, incoming cohorts. Recent births in HCSD's ZIP code are the lowest for the area since the early 1980s, with six consecutive years with well under 400 births in the ZIP code. Most of these birth cohorts, which we know are not as populous as previous ones, have yet to reach school, meaning that future kindergarten cohorts are likely to be even smaller, leading to a steady decrease in total HCSD enrollment due to cohort replacement.

Based on the HCSD District-wide Moderate enrollment projection, the District's enrollment will decrease overall through 2030-31. Even with the continuing rollout of more eligible TK students and corresponding larger TK cohorts, the effects of smaller kindergarten cohorts entering the District each year, based on recent low birth rates, will be the overriding factor influencing HCSD's future trends.

Total HCSD enrollment is projected to decrease from 1,263 in the current year to 1,063 by 2030-31 (minus 200 or 15.8%) as incoming kindergarten cohorts are generally anticipated to contain fewer than 100 students every year after 2025-26. Figure 1 illustrates the District's recent enrollment history and Moderate projected enrollment. Projected enrollment is depicted in a lighter color.

Figure 1. HCSD Moderate Enrollment Projection



Conclusion and Considerations

Future enrollment trends for the Hillsborough City School District are primarily driven by the decreasing population of young children residing within the District, and the replacement of older, larger student cohorts with new incoming kindergarten cohorts that contain fewer students. Each year that the new cohort is smaller than the exiting 8th grade cohort from the previous year, total enrollment will decrease absent mitigating factors. While there are mitigating factors in TK expansion and consistent net cohort growth, especially in the elementary grades, these factors will not add enough new students to overcome the baseline trends ultimately rooted in population demographics and a historical reduction in local births.

Based on the analyses prepared for this study, the Hillsborough City School District should expect its total enrollment to decrease over the coming years. Despite this, there will remain some considerations for the District during the projection period:

1. The District should plan for how it will continue to accommodate the additional TK students it will enroll, as the increased proportion of these youngest students may require more specialized classroom facilities.
2. Monitor residential development throughout the District, as a significant increase in the pace of new home development could affect the District's future enrollment.

Hillsborough City School District Demographic Analysis & Enrollment Projections Study 2023-24

This report is divided into four components:

A. Introduction
B. District and Community Demographics
C. Enrollment Projections
D. Conclusion and Considerations

SECTION A: INTRODUCTION

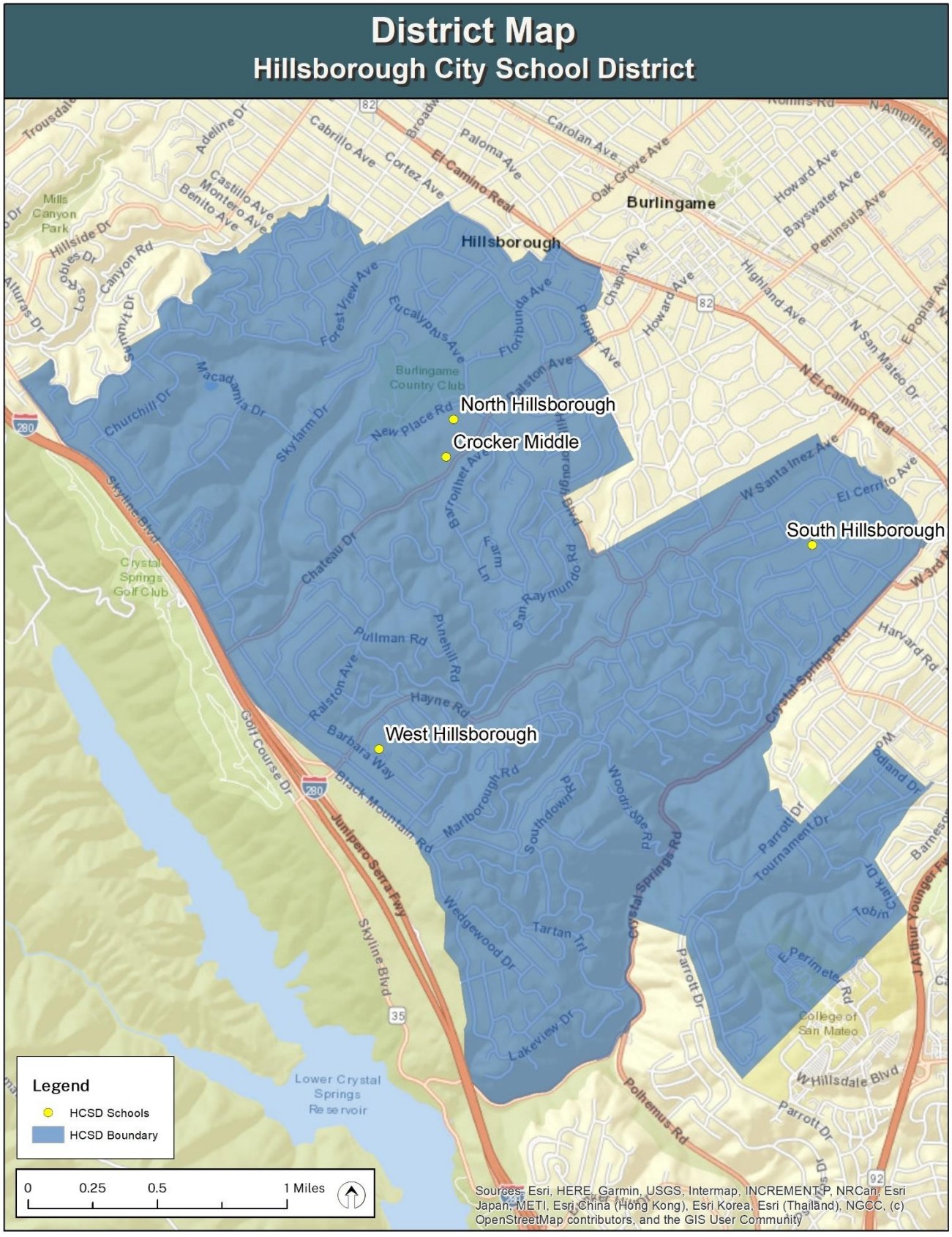
The Hillsborough City School District (HCSD) is located in San Mateo County California and serves the City of Hillsborough. Figure 2 demonstrates the full extent of the District and depicts the location of its school sites.

The Hillsborough City School District serves grades TK-8 and has a total State-certified 2023-24 enrollment of 1,263 according to October 2023 enrollment. Table 1 shows enrollment totals for each school site in the District. The Hillsborough City ESD currently operates 3 elementary schools and 1 middle school. HCSD also reports a small amount of enrollment classified as non-public school (NPS) students.

Table 1. School Sites and 2023-24 Enrollments

Elementary Schools	Grade Levels	2023-24 Enrollment
North Hillsborough ES	K-5	268
South Hillsborough ES	TK-5	246
West Hillsborough ES	TK-5	294
Middle School	**Grade Levels**	**2023-24 Enrollment**
Crocker MS	6-8	454
Other Program	**Grade Levels**	**2023-24 Enrollment**
Non-Public (NPS)	K-8	1
Grand Total		**1,263**

Figure 2. Hillsborough City School District



SECTION B: DISTRICT AND COMMUNITY DEMOGRAPHICS

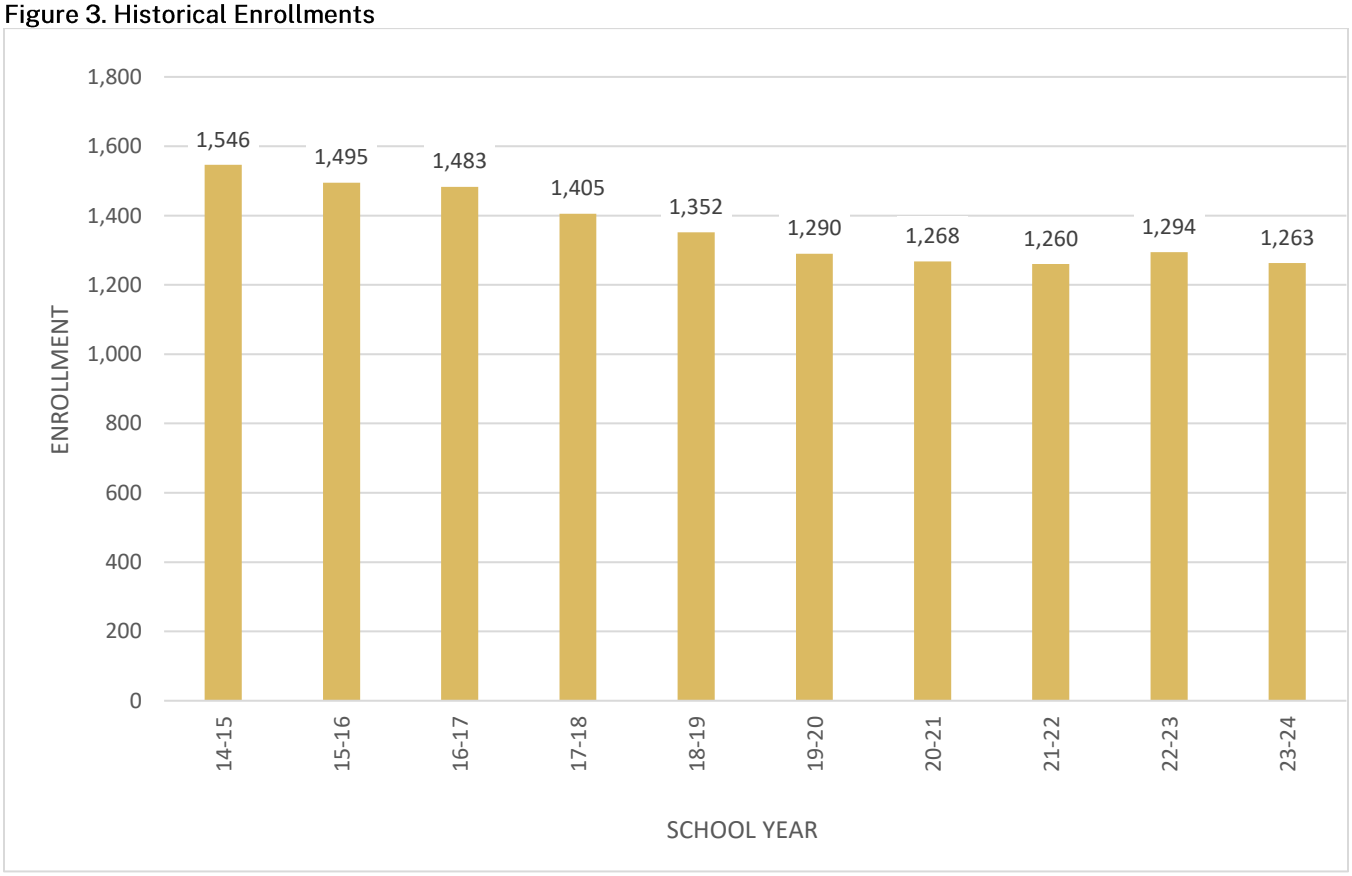
District Enrollment Trends

Historical Enrollments

Historical enrollment trends are based on certified State enrollment totals as provided by the California Department of Education, and are based on each year's Census day in early October. Over the last decade, HCSD's enrollment decreased in every year but one, resulting in a total decrease of 18.3% since 2014-15. Since 2019-20, however, the rate of enrollment decrease has lessened. The reasons for these historical patterns will be examined in this section.

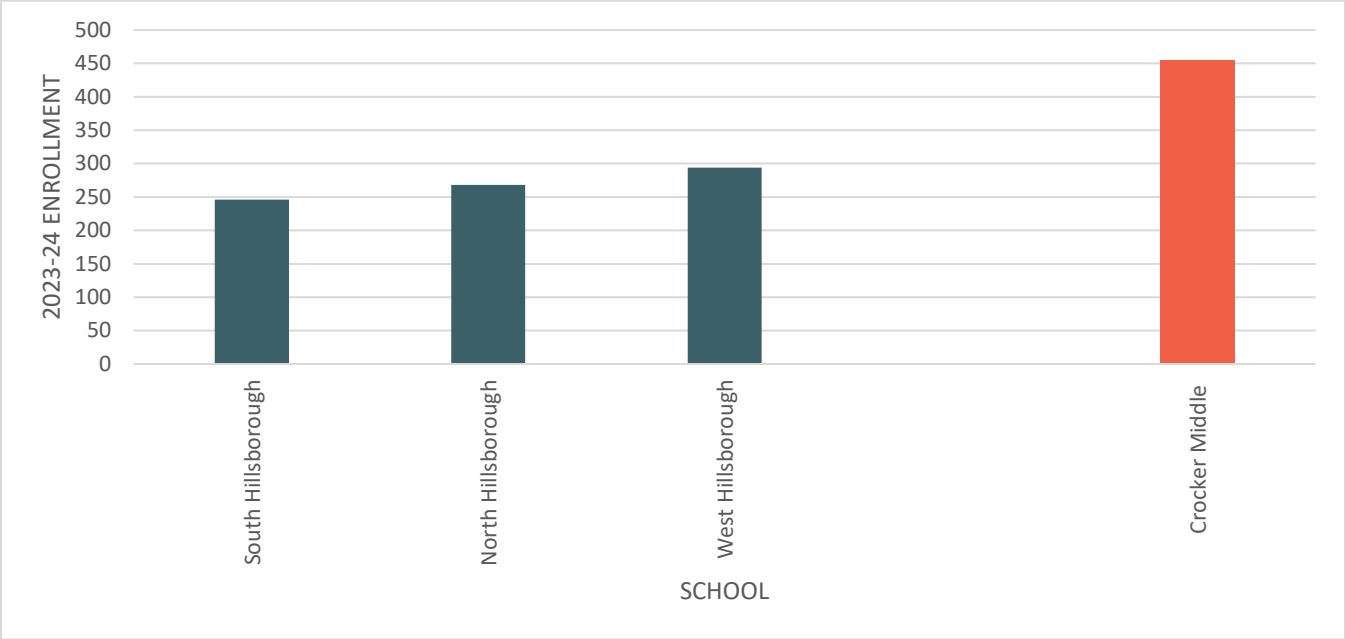
Figure 3 illustrates the District's historical enrollment pattern since 2014-15. Table 2 shows the relative enrollment of each HCSD school, while Figure 4 demonstrates the balance between the District's elementary sites. South Hillsborough Elementary is 8.7% smaller than the District's average elementary school enrollment size and West Hillsborough Elementary is 9.2% larger than the District's average elementary enrollment. Figure 5 illustrates annual total growth/decline in student enrollment. Figure 6 breaks down HCSD historical enrollment by elementary and middle schools grade levels, demonstrating that decreasing enrollment affected the elementary schools first, and then middle school enrollments later. Table 3 provides historical enrollments by school since 2014-15.

Figure 3. Historical Enrollments



Source: California Department of Education.

Figure 4. 2023-24 Enrollments by School

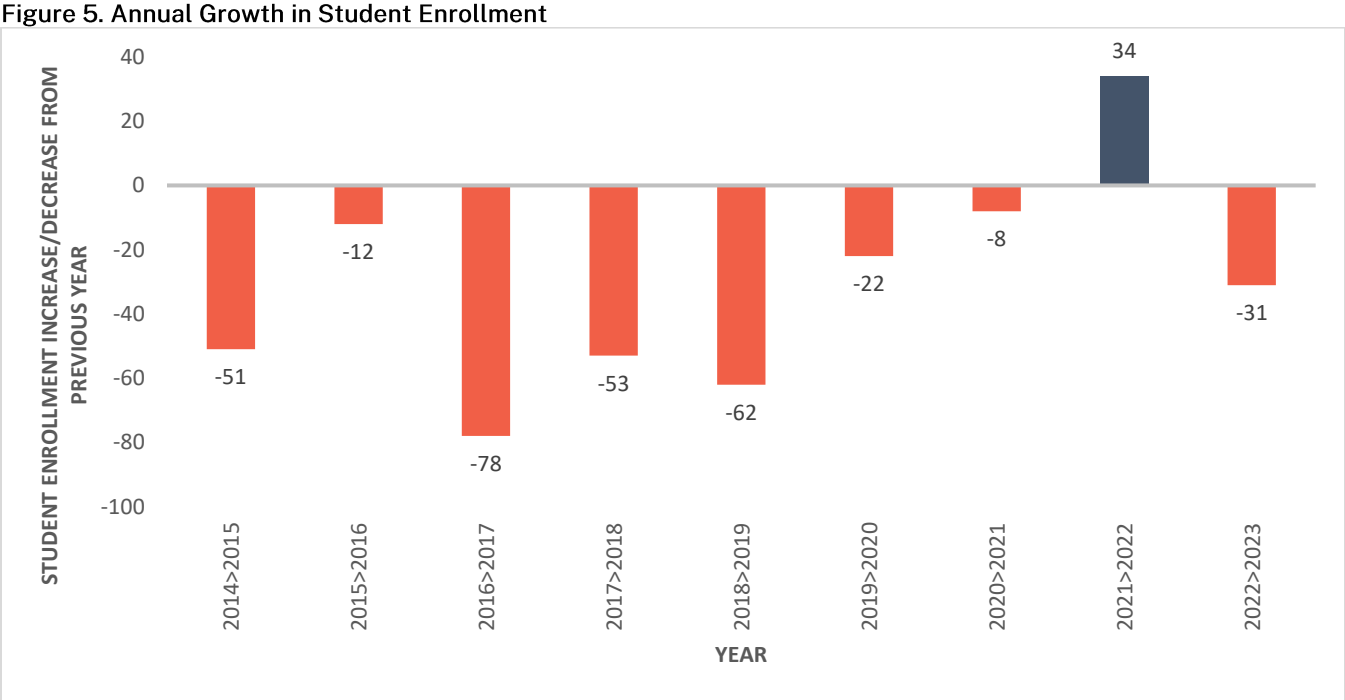


Source: California Department of Education.

Table 2. HCSD Average Elementary Site Enrollments

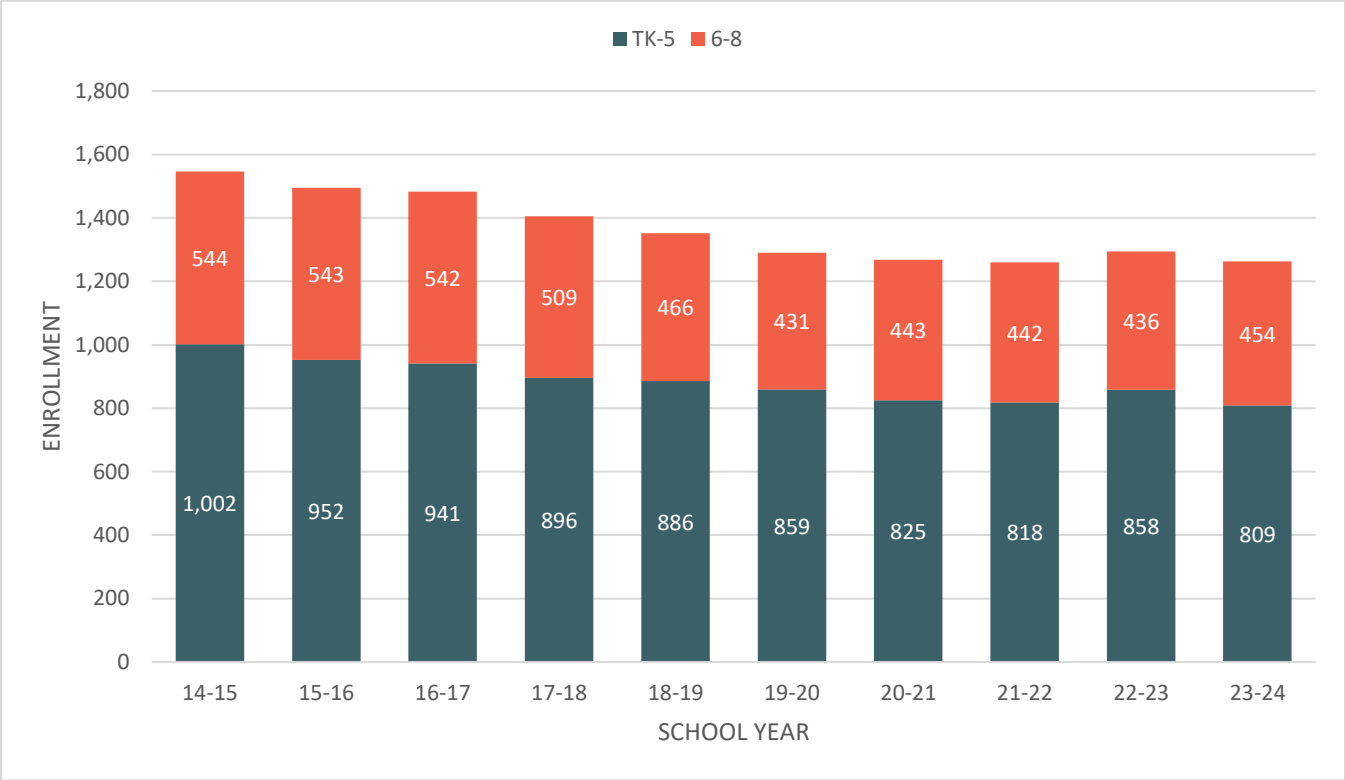
Average Enrollment	Smallest Enrollment (Deviation)	Largest Enrollment (Deviation)
269	246 (-8.7%)	294 (+9.2%)

Figure 5. Annual Growth in Student Enrollment



Source: California Department of Education.

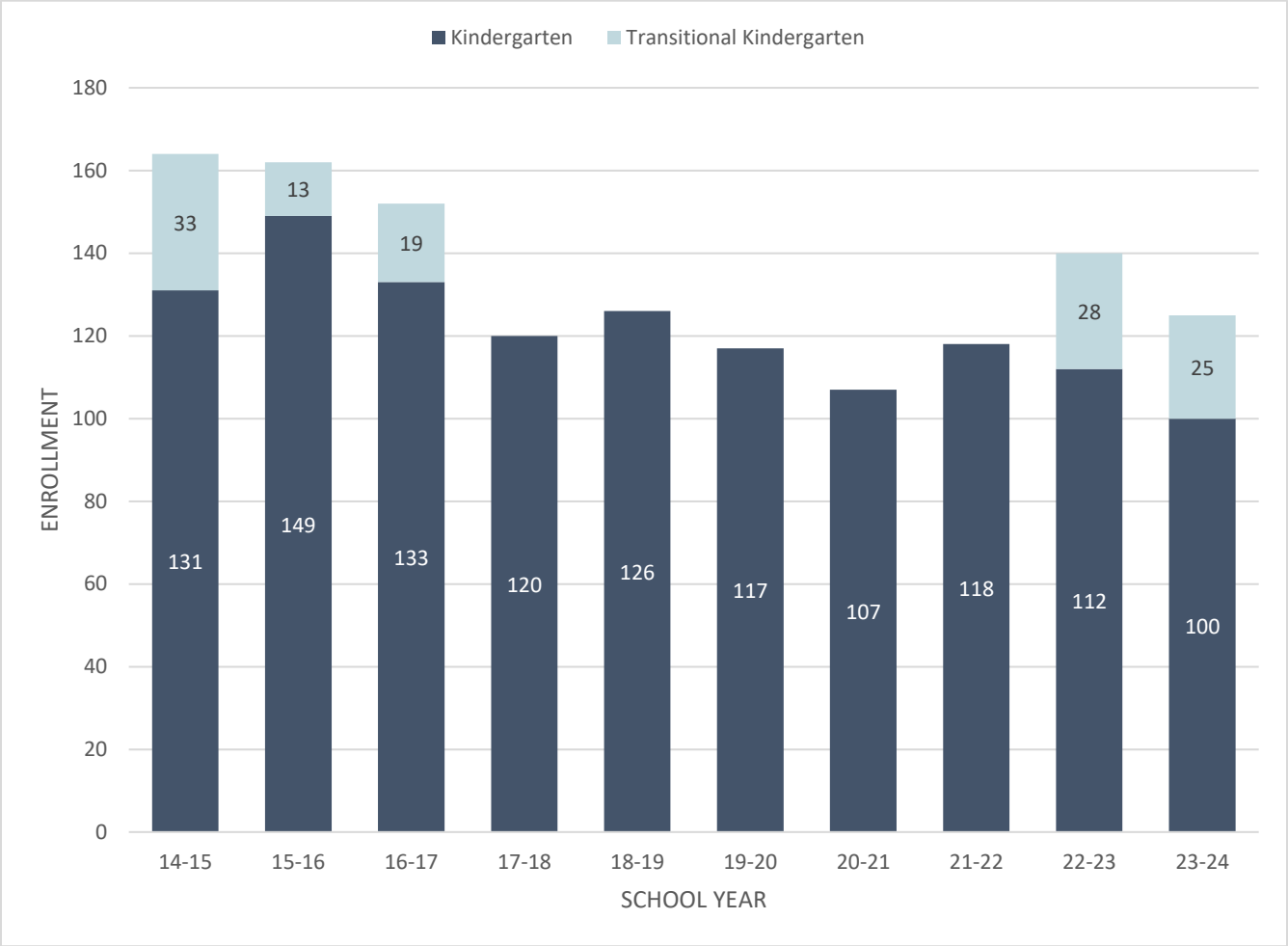
Figure 6. Historical Enrollment by Grade Configuration



The reason enrollment changes are observed in elementary grades sooner is the result of "cohort replacement." Cohort replacement is the difference in size between outgoing cohorts and new, incoming cohorts of kindergarten students. When the population of new incoming students is smaller than the students they are replacing (5th graders at the elementary level and 8th graders for District total enrollment), enrollment will decrease unless there are other factors to offset the difference. HCSD kindergarten enrollment is broken in Figure 7 to demonstrate the size of the new cohorts entering the District over the previous decade. Since a peak in 2015-16, HCSD kindergarten enrollment decreased to around two-thirds by the current year. These new incoming cohorts of HCSD students are generally taking the place of older, larger cohorts, leading to the decreasing enrollments observed historically.

Transitional kindergarten (TK) enrollment was not offered at HCSD between 2017-18 and 2021-22. In 2022-23, as part of a State-wide rollout of increasing TK eligibility, it became mandatory for all school districts to offer TK to students and families. The number of children eligible to enroll in TK will increase each year until 2025-26, when all four-year-olds can enroll. The addition of TK students in 2022-23 accounts for most of the total enrollment growth observed between 2021-22 and 2022-23.

Figure 7. Kindergarten Enrollment



Source: California Department of Education.

Table 3. Historical Enrollments by School

School	Grades	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
North Hillsborough ES	K-5	354	323	322	316	300	295	281	265	264	268
South Hillsborough ES	K-5	255	243	237	207	223	216	216	239	263	246
West Hillsborough ES	K-5	387	381	381	373	363	348	328	313	330	294
Crocker MS	6-8	540	540	538	505	465	430	442	441	435	454
Non-Public	K-8	10	8	5	4	1	1	1	2	2	1

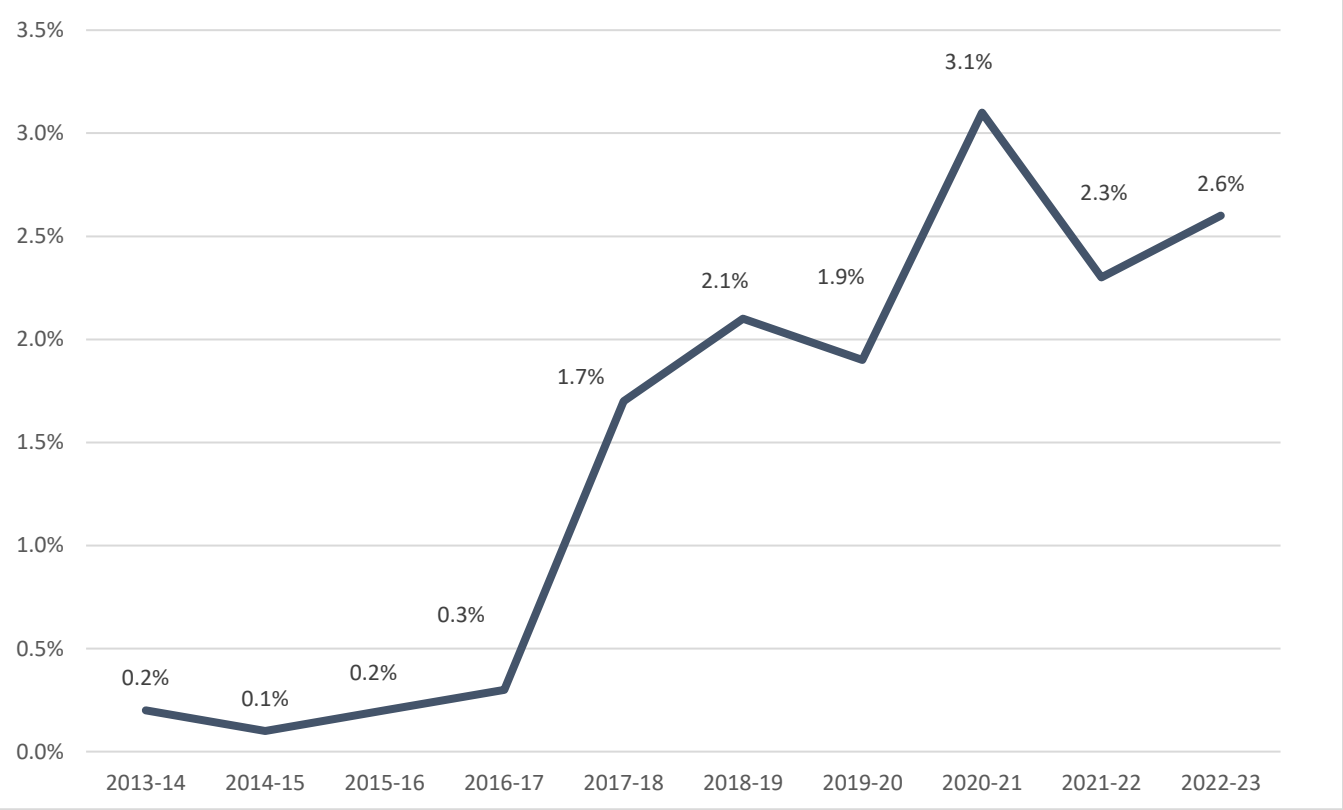
Historical Enrollment by Socioeconomic Status

In order to analyze the District's socioeconomic profile, the consultant utilized participation in the Free or Reduced Price Meals (FRPM) program as a socioeconomic indicator. Table 4 provides the number of HCSD students participating in the FRPM program from 2013 through 2022, the most recent year for which the State has published data as of the writing of this report. While participation in FRPM has increased in HCSD over the previous decade, the District's rate remains substantially lower than most other California school districts. Figure 8 graphically demonstrates these trends.

Table 4. Historical Students Enrolled in Free or Reduced Price Meals

School Year	Students Enrolled in Free or Reduced Price Meals	Percent FRPM
2013-14	3	0.2%
2014-15	2	0.1%
2015-16	3	0.2%
2016-17	5	0.3%
2017-18	24	1.7%
2018-19	28	2.1%
2019-20	24	1.9%
2020-21	39	3.1%
2021-22	29	2.3%
2022-23	34	2.6%

Figure 8. Historical Students Enrolled in Free or Reduced-Price Meals



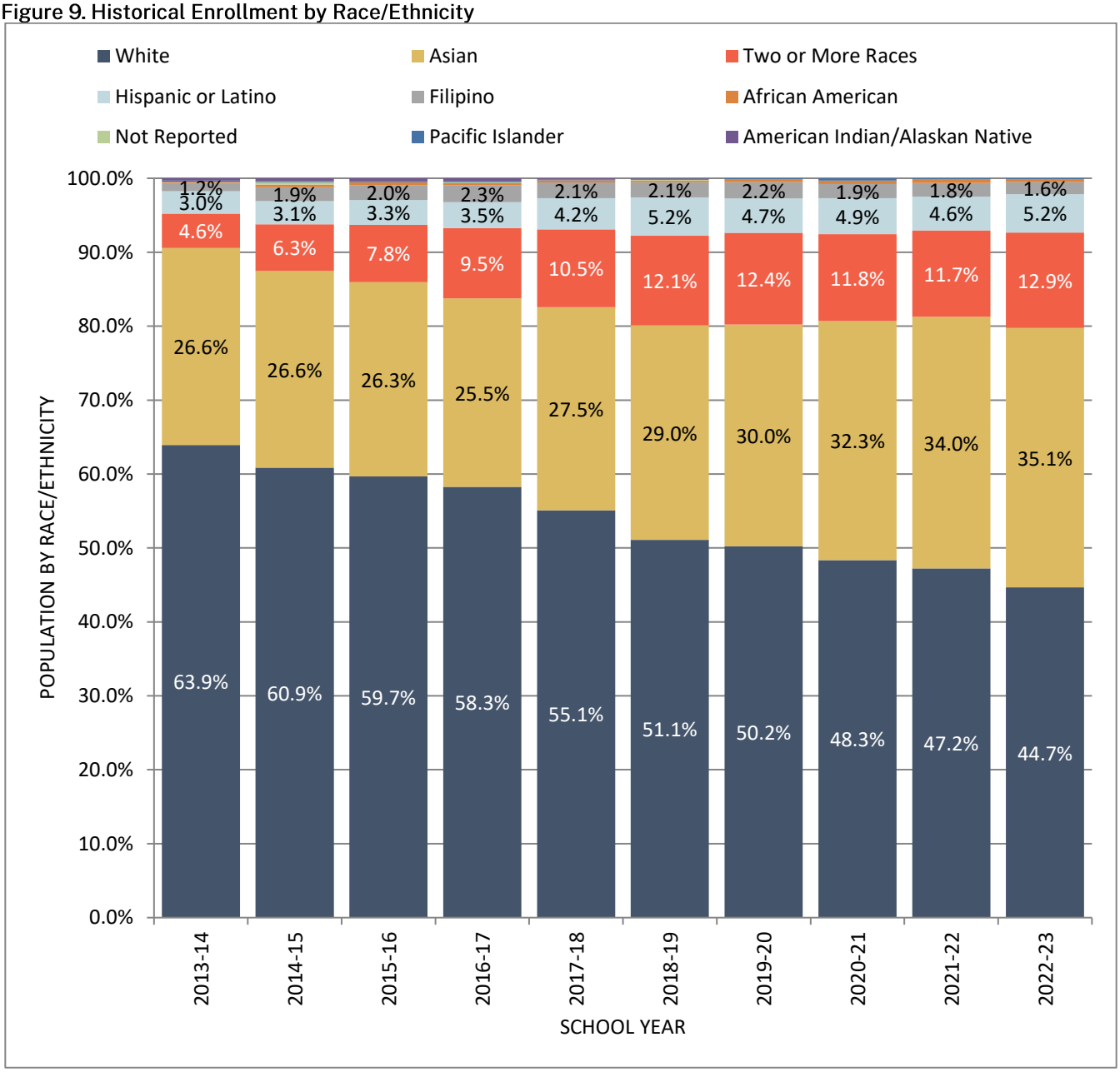
Source: California Department of Education.

Historical Enrollment by Ethnicity

To analyze the District's race/ethnicity profile, the 2013-14 through 2022-23 CalPADS enrollments by race/ethnicity were used.

Over the previous decade, HCSD has transitioned from a majority White to a more diverse school district based on the ethnicity reported by its students. In the most recent year for which data has been published, the District's enrollment consisted most predominantly of White students (44.7%), Asian students (35.1%) and students identifying as two or more races (12.9%). Figure 9 demonstrates the race/ethnicity trends of the District from 2013-14 to the 2022-23 school year.

Figure 9. Historical Enrollment by Race/Ethnicity



Source: California Department of Education.

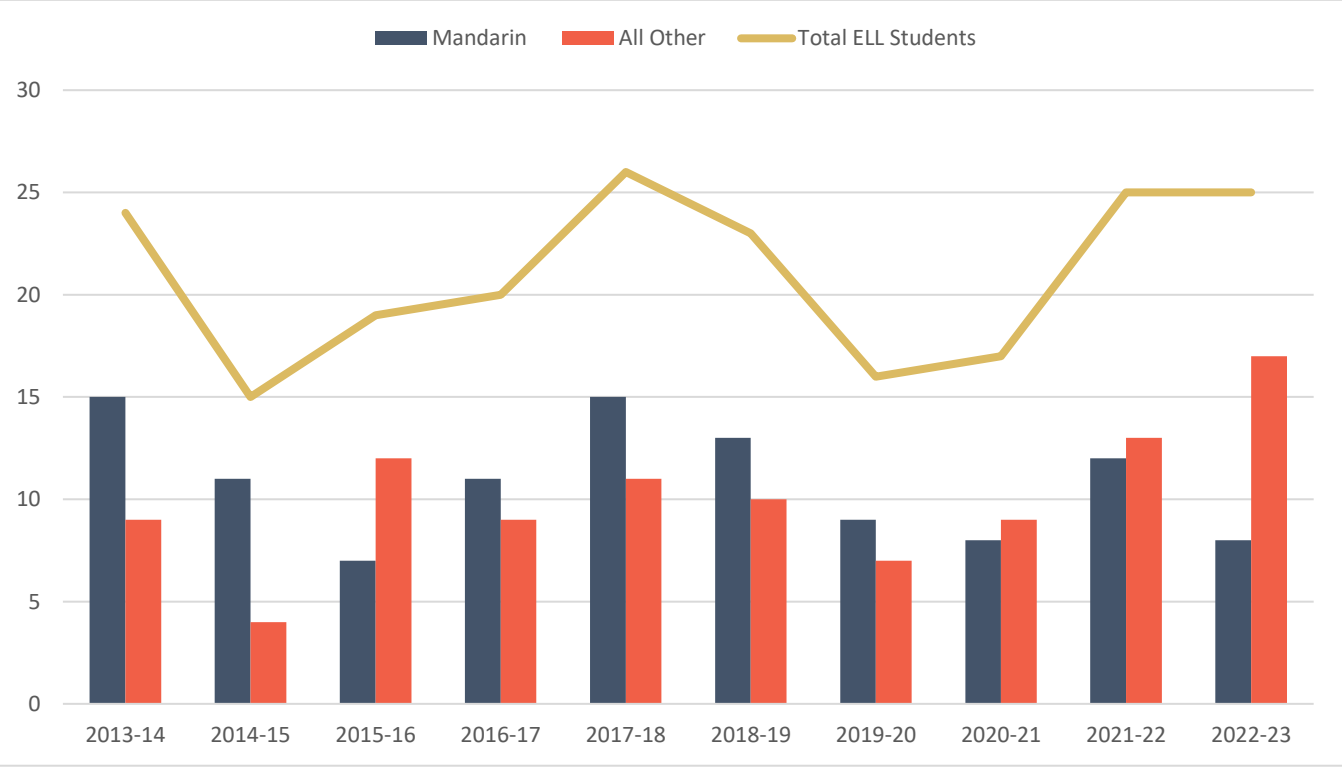
Historical Enrollment of English Language Learners

CalPADS enrollments of English Language Learners (ELL) were also compiled and analyzed. Table 5 contains the number of HCSD students enrolled as ELL students from 2013-14 to 2022-23, as well as a breakdown by primary language spoken. HCSD's English learner population is more diverse than many other districts, with Mandarin speaking students historically comprising the largest group of English learners. Since 2020, however, the District's ELL population of all other languages has surpassed the population of Mandarin speakers, with Cantonese, Farsi, Russian, Spanish, and Ukrainian all being spoken by multiple students in the most recent year for which data is available. Figure 10 graphically depicts these trends.

Table 5. Historical Students Enrolled as English Language Learners

School Year	Total Students Enrolled as ELL	Mandarin Speaking	All Other Languages	Percent ELL of Total Enrollment
2013-14	24	15	9	1.6%
2014-15	15	11	4	1.0%
2015-16	19	7	12	1.3%
2016-17	20	11	9	1.3%
2017-18	26	15	11	1.9%
2018-19	23	13	10	1.7%
2019-20	16	9	7	1.2%
2020-21	17	8	9	1.3%
2021-22	25	12	13	2.0%
2022-23	25	8	17	1.9%

Figure 10. Historical Students Enrolled as English Language Learners



Source: California Department of Education.

Community Demographics

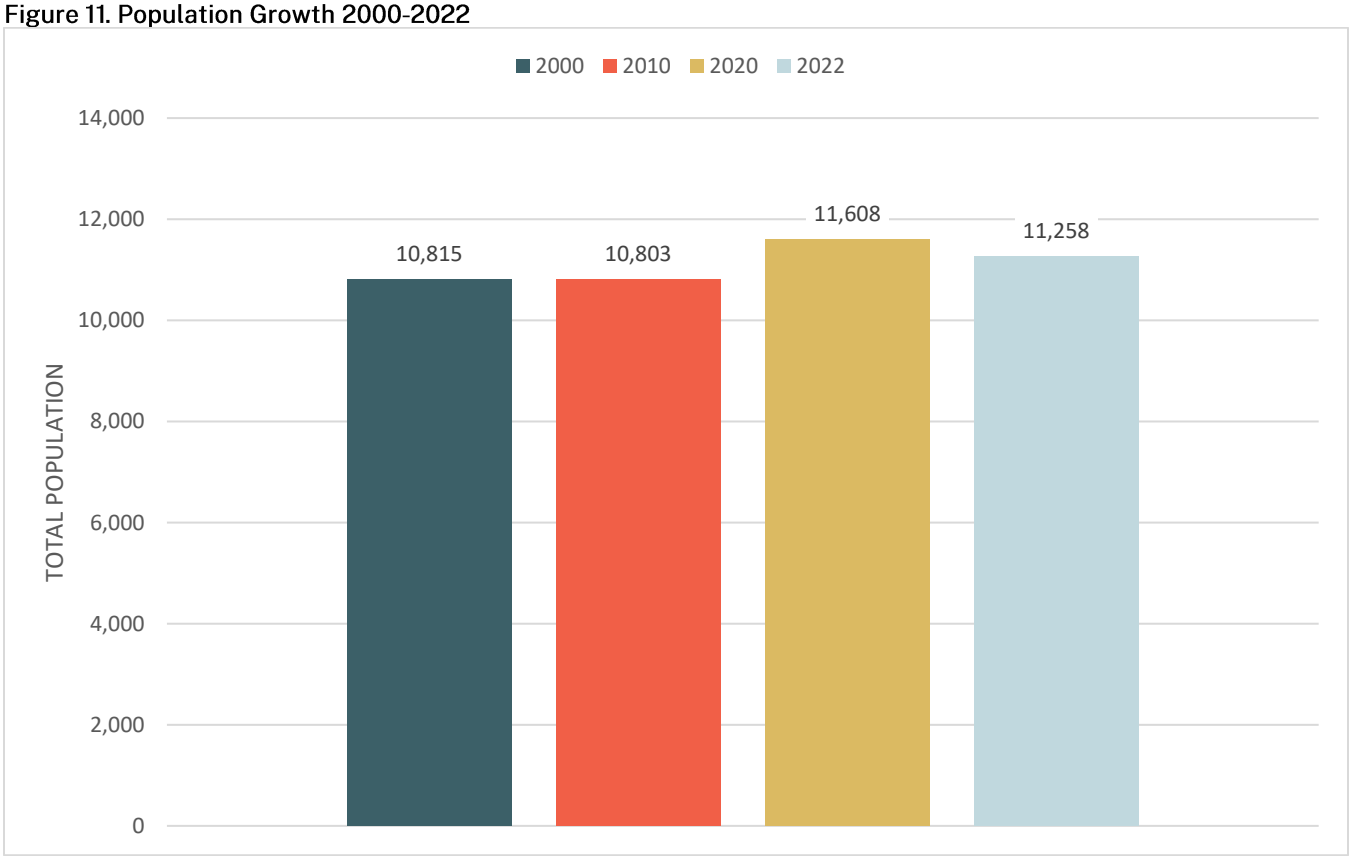
The Hillsborough City School District (HCSD) is located in San Mateo County California and serves the city of Hillsborough. This community demographic analysis will focus on the general population residing within the HCSD boundary as shown in Figure 2 in Section A of this document.

Population Trends (2000-2020 Decennial Census and 2022 American Community Survey)

The HCSD Boundary had a total population of 11,608 according to the 2020 Decennial United States Census. This represents 7.5% growth since 2010 (Figure 11). However, the most recent estimates from the American Community Survey (ACS) indicate the total population may have decreased slightly since then. As all ACS data are estimates based on relatively small surveys, it is important to note that they may change from year to year and should be used cautiously. However, as more time elapses from the certainty of the 2020 full-count census, the ACS estimates represent a valuable tool until the next full census is conducted.

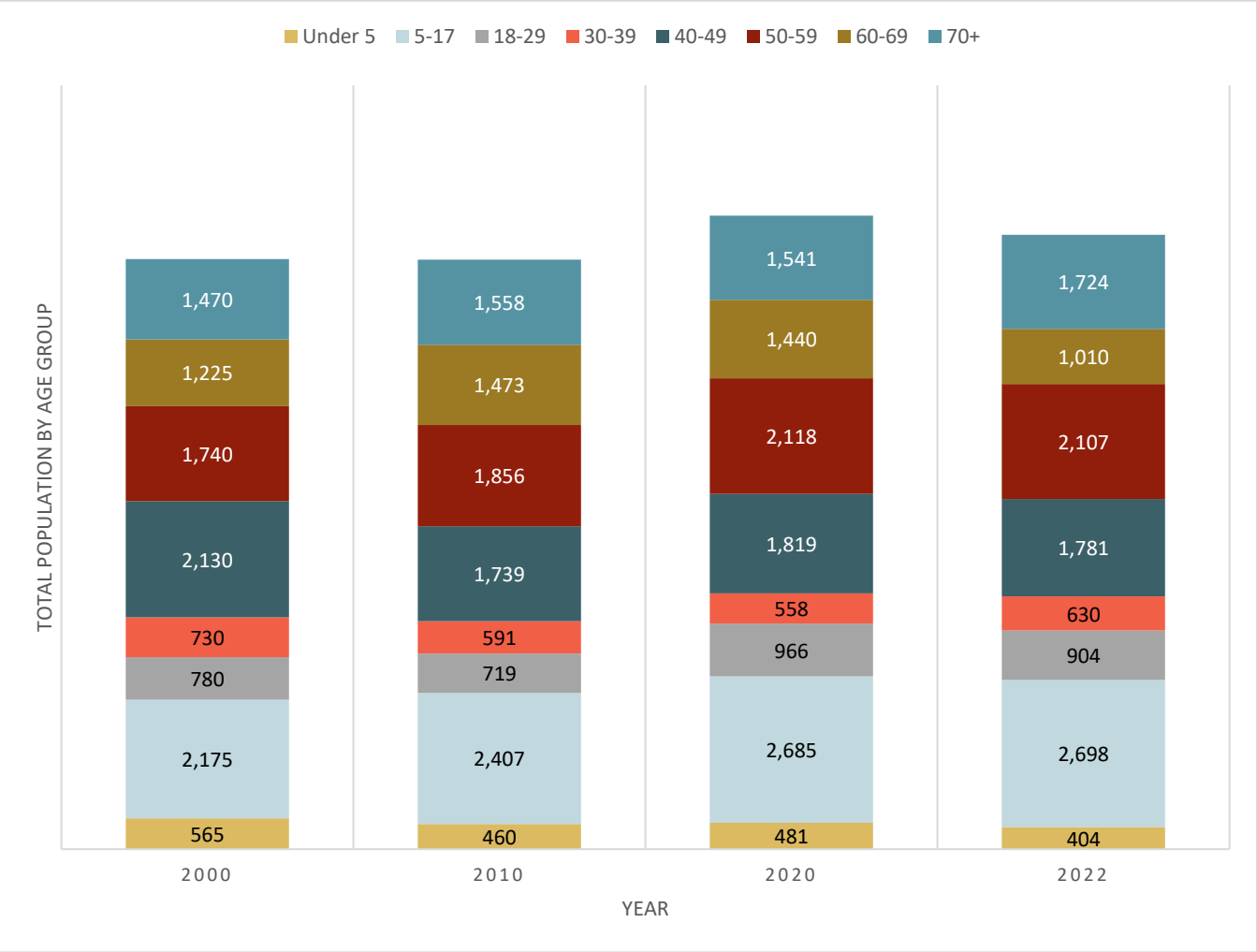
Splitting the District's population out by age range provides additional insights (Figure 12). While the school-age population of 5- to 17-year-olds is estimated to have stayed consistent since 2020, the population under five years of age is estimated to have decreased. These children will form the foundation of new cohorts in the near future, so this is of particular interest to HCSD. Local birth data, as will be shown in Section C, corroborates this trend in fewer young children residing in the District in recent years. The overall HCSD community is similar to racial makeup of HCSD students, with 51.5% White individuals, 33.5% Asian, and a significant population identifying as more than one race (Figure 13).

Figure 11. Population Growth 2000-2022



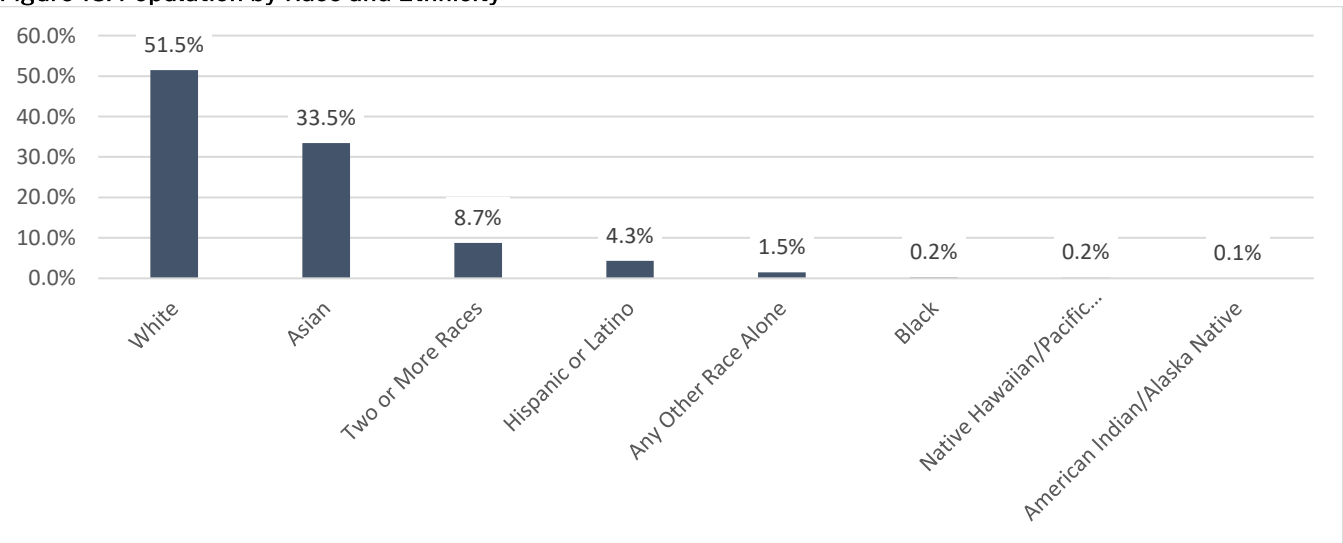
Source: U.S. Census Bureau Decennial Census (2000, 2010, 2020), ACS 2022.

Figure 12. Population Growth by Age Group, 2000-2022



Source: U.S. Census Bureau Decennial Census (2000, 2010, 2020), ACS 2022.

Figure 13. Population by Race and Ethnicity

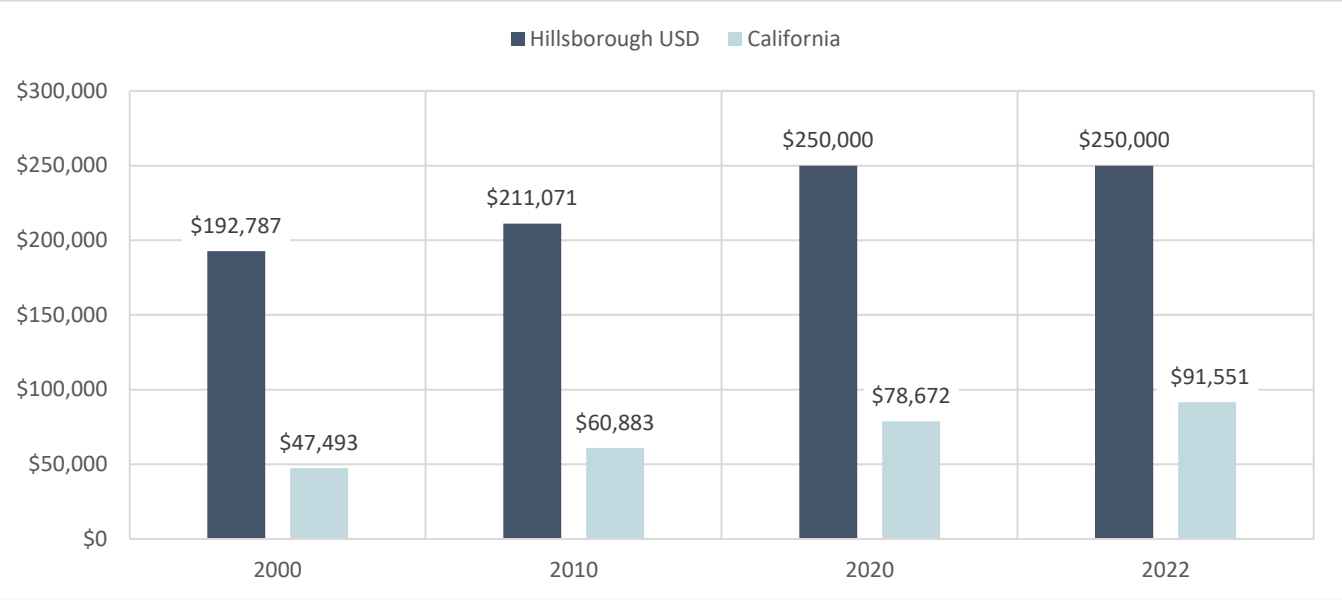


Source: U.S. Census Bureau, ACS 2022.

Household Characteristics (2000-2020 Decennial Census and 2022 American Community Survey)

Median household income is significantly higher in HCSD compared to the State as a whole, per the most recent information available from the U.S. Decennial Census and ACS estimates for 2022 (Figure 14). The 2022 ACS estimates indicate the median household income for Hillsborough City ESD is at least $250,000 (the highest value recorded), while the state median income is $91,551.

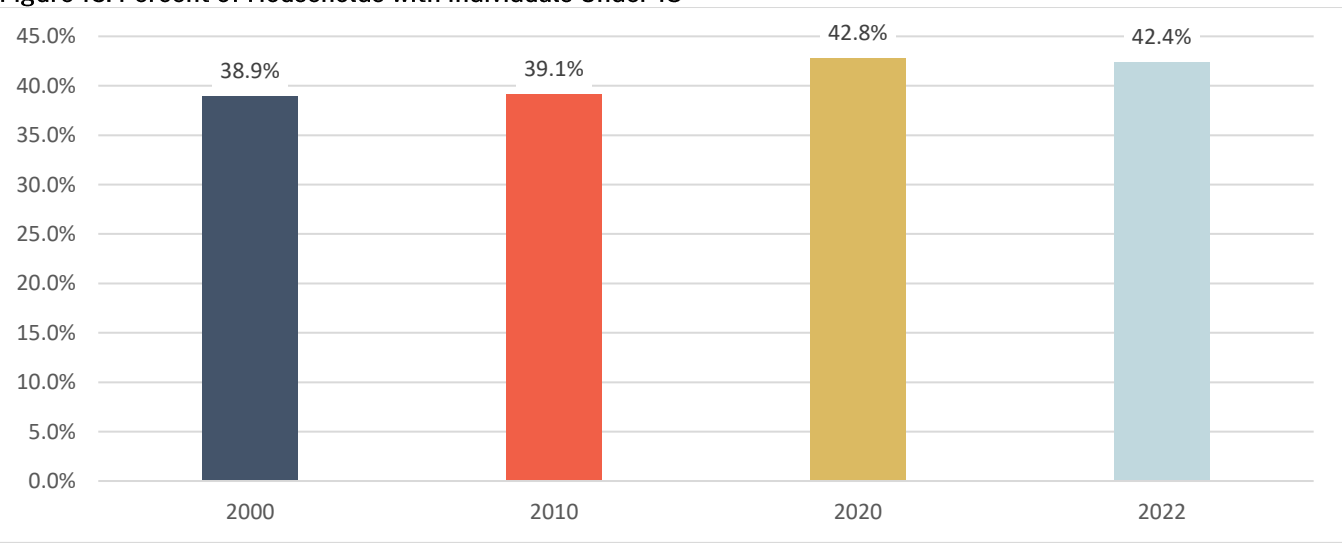
Figure 14. Median Household Income



Source: U.S. Census Bureau Decennial Census (2000, 2010, 2020), ACS 2022.

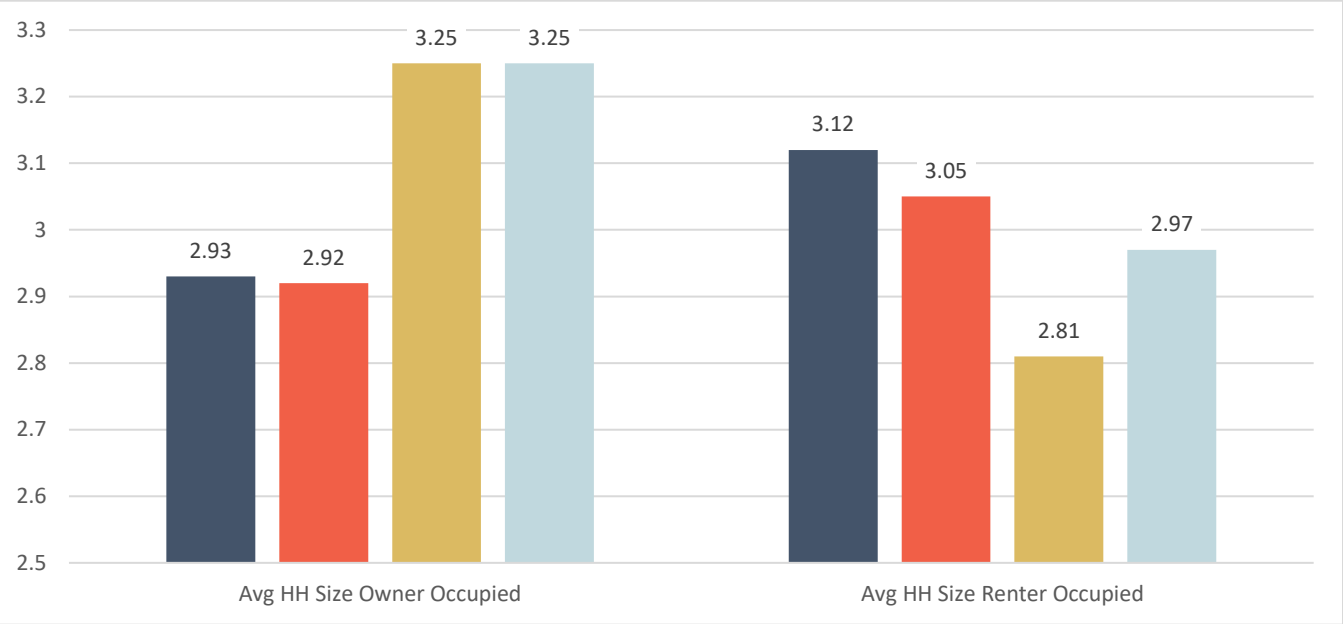
The percentage of households with children under 18 increased in HCSD from 2010 to 2020. Meanwhile, the total number of persons per household increased from 2000 to 2020 in owner-occupied homes while decreasing in renter-occupied homes (Figures 15-16).

Figure 15. Percent of Households with Individuals Under 18



Source: U.S. Census Bureau Decennial Census (2000, 2010, 2020), ACS 2022.

Figure 16. Number of Persons per Household

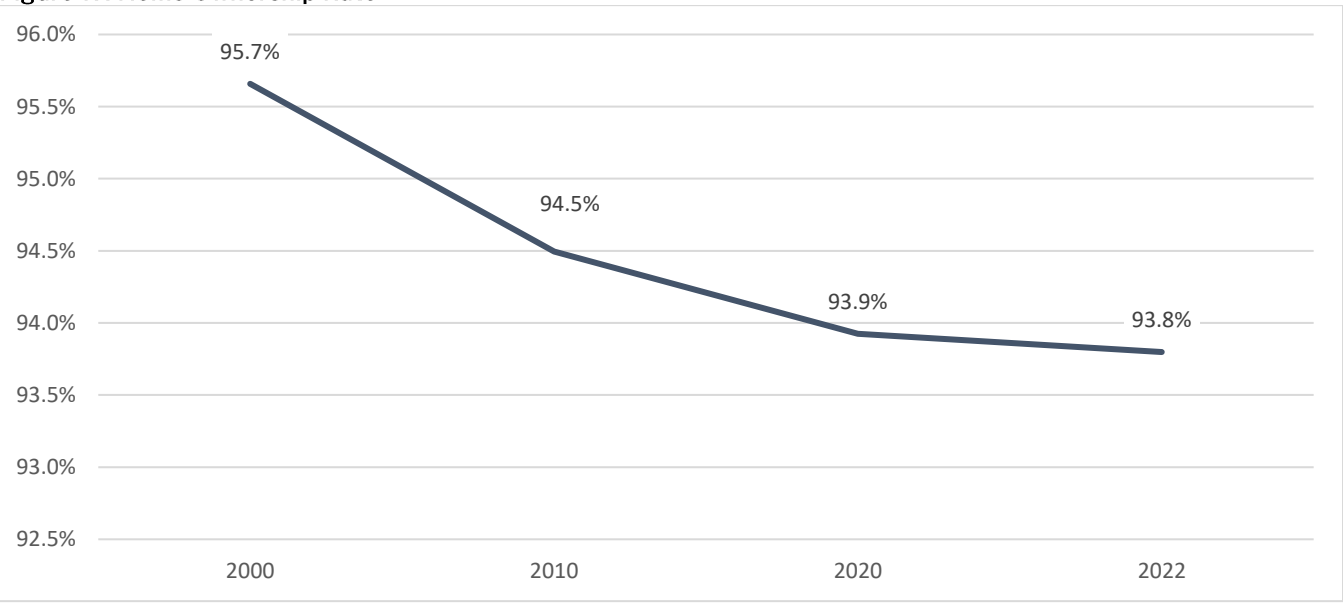


Source: U.S. Census Bureau Decennial Census (2000, 2010, 2020), U.S. Census Bureau, ACS, 2022.

Home Ownership and Median Home Values

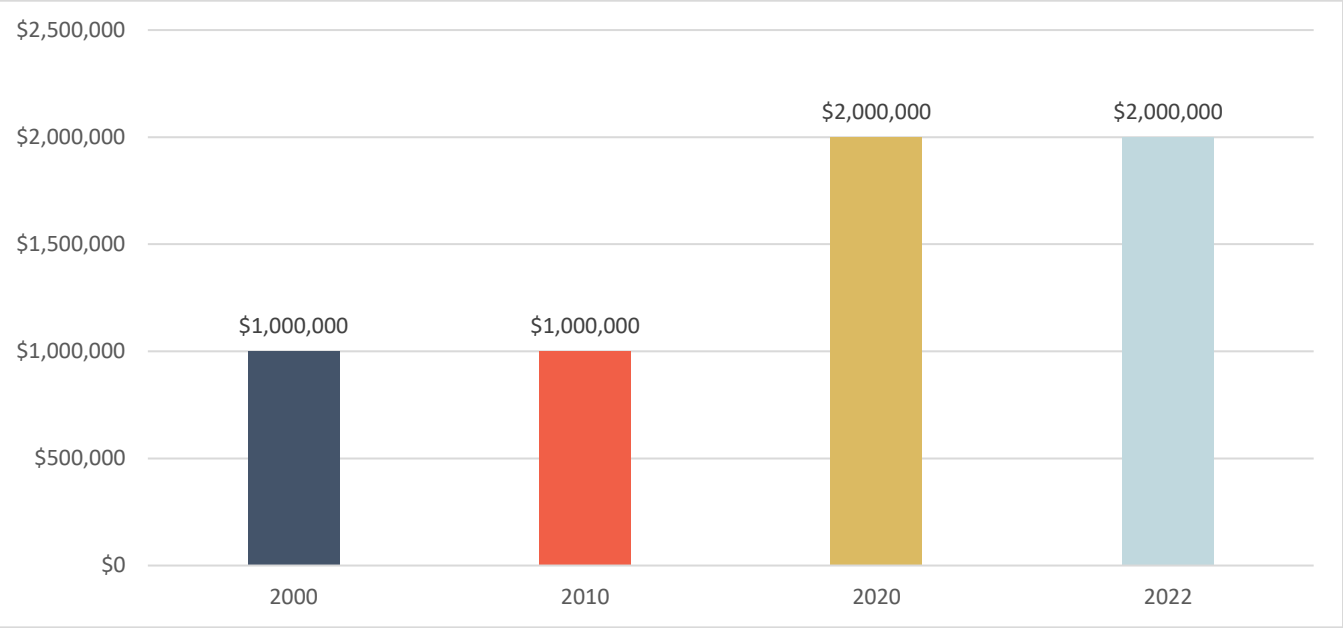
Home-ownership in the District (the percent of non-vacant housing units occupied by the owner) has been historically much higher than most other places in California, even as this rate has decreased slightly since 2000 (Figure 17). The median home value in the District of owner-occupied housing units, according to the 2020 Decennial Census as well as estimates for 2022, is more than $2,000,000, which is the value recorded by the Census Bureau (Figure 18).

Figure 17. Home Ownership Rate



Source: U.S. Census Bureau Decennial Census (2000, 2010, 2020), U.S. Census Bureau, ACS, 2022.

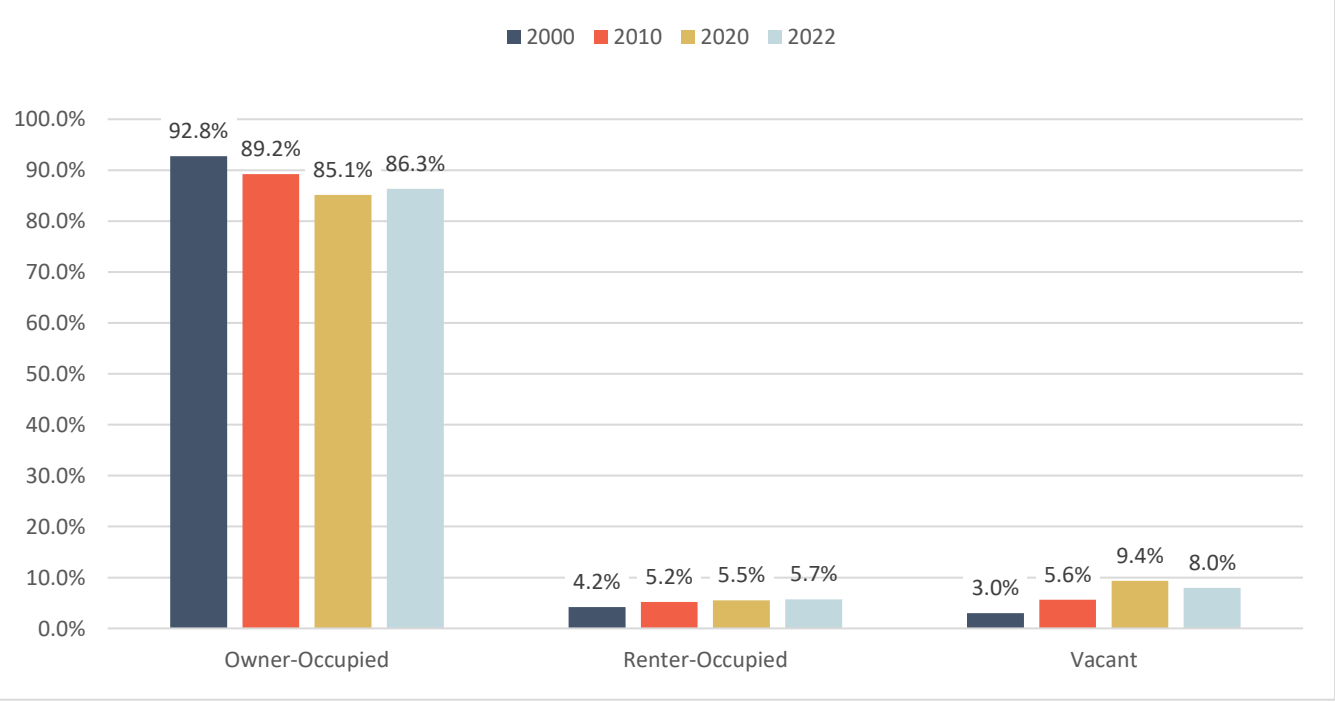
Figure 18. Median Value of Owner-Occupied Units



Source: U.S. Census Bureau Decennial Census (2000, 2010, 2020), U.S. Census Bureau, ACS, 2022.

The percentage of owner-occupied units decreased from 2000 to 2020 with a slight estimated increase for 2022, while the percent of renter-occupied housing units increased between 2000 and 2020 and an estimated increase for 2022. The vacancy rate increased from 2000 to 2020, with an estimated decrease for 2022. Most vacant units are for rent or sale, or rented/sold but not yet occupied.

Figure 19. Housing Units by Occupancy



Source: U.S. Census Bureau Decennial Census (2000, 2010, 2020), ACS 2022.

SECTION C: ENROLLMENT PROJECTIONS

To effectively plan for facilities, boundary changes, or policy changes for student enrollment, school district administrators need a long-term enrollment projection. King prepared 7-year enrollment projections for HCSD utilizing the industry standard cohort "survival" methodology. While based on historical enrollments, the consultant adjusts the calculation for:

1. Historical and projected birth data (used to project future TK and kindergarten students);
2. Weighting or de-weighting anomalous years of student migration.

The enrollment projections must account for a range of historical variance, as these factors are not uniform from year to year. The study includes Low, Moderate, and High enrollment projections to demonstrate plausible enrollment trends, especially in the short-term, depending on which recent data points are repeated in the coming years. Over a longer period of time, the carefully balanced Moderate projection is more likely to hold true, so this projection is recommended for planning purposes.

Historical and Projected Birth Data

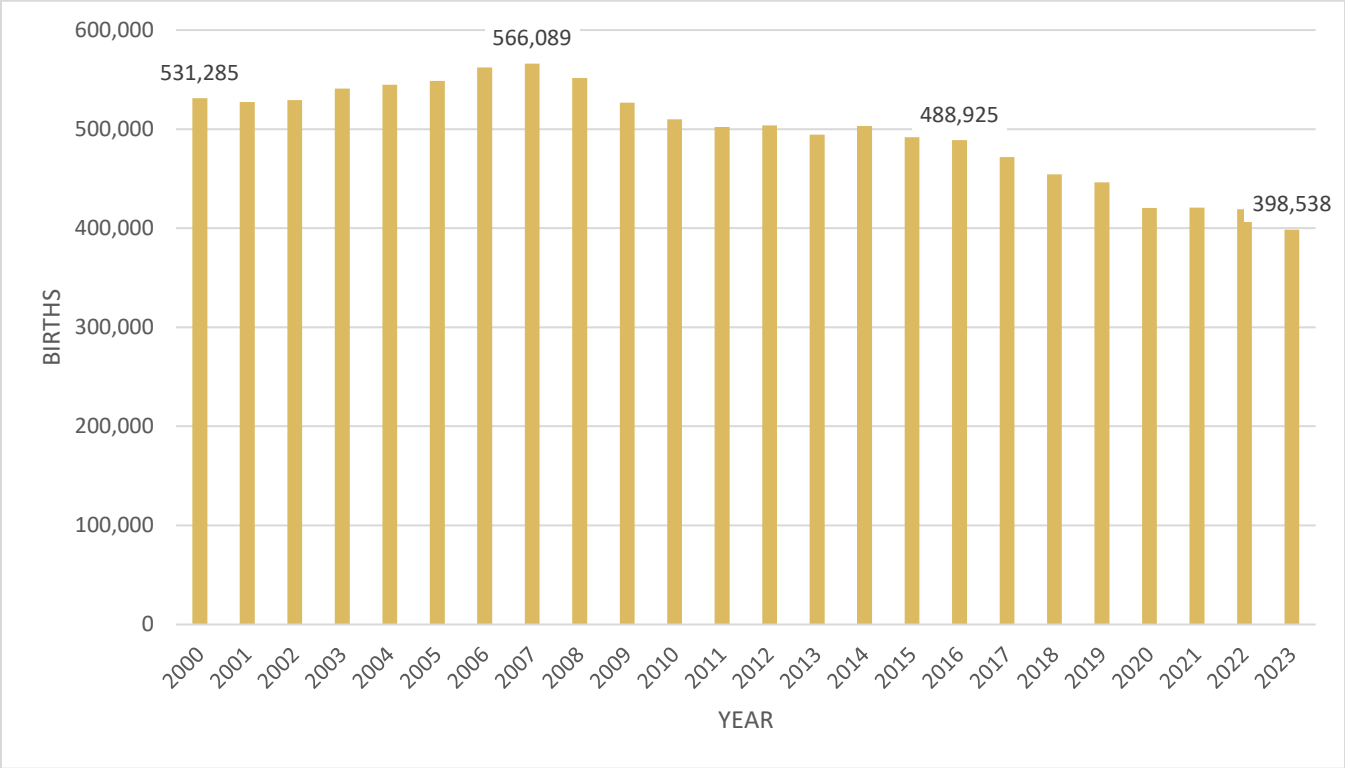
Close tracking of local births is crucial for projecting future kindergarten students. Births are the single best predictor of the number of future kindergarten students to be housed by the District. Birth data is collected for the Hillsborough City School District by the California Department of Health Services using ZIP Codes[1] and is used to project future kindergarten and TK class sizes.

Since peaking in 2007, births in California have declined significantly (Figure 20). In 2023, Californians gave birth to 398,538 children, setting a record low since 1990 and representing the 13th time in the last 16 years that the birth total decreased compared to the prior year. This is a 29.6% decrease since 2007. The one-year decrease in births recorded in 2020 was the largest since 1995. Californians continue to put off having children until later in life. Recent birth rates in California fell most heavily among people under the age of 30.

San Mateo County births, unlike State-wide trends, have decreased steadily since 2000, though the total decrease of 31.8% is comparable to State-wide trends (Figure 21). The birth total in San Mateo County births in 2023 was the lowest since 1976.

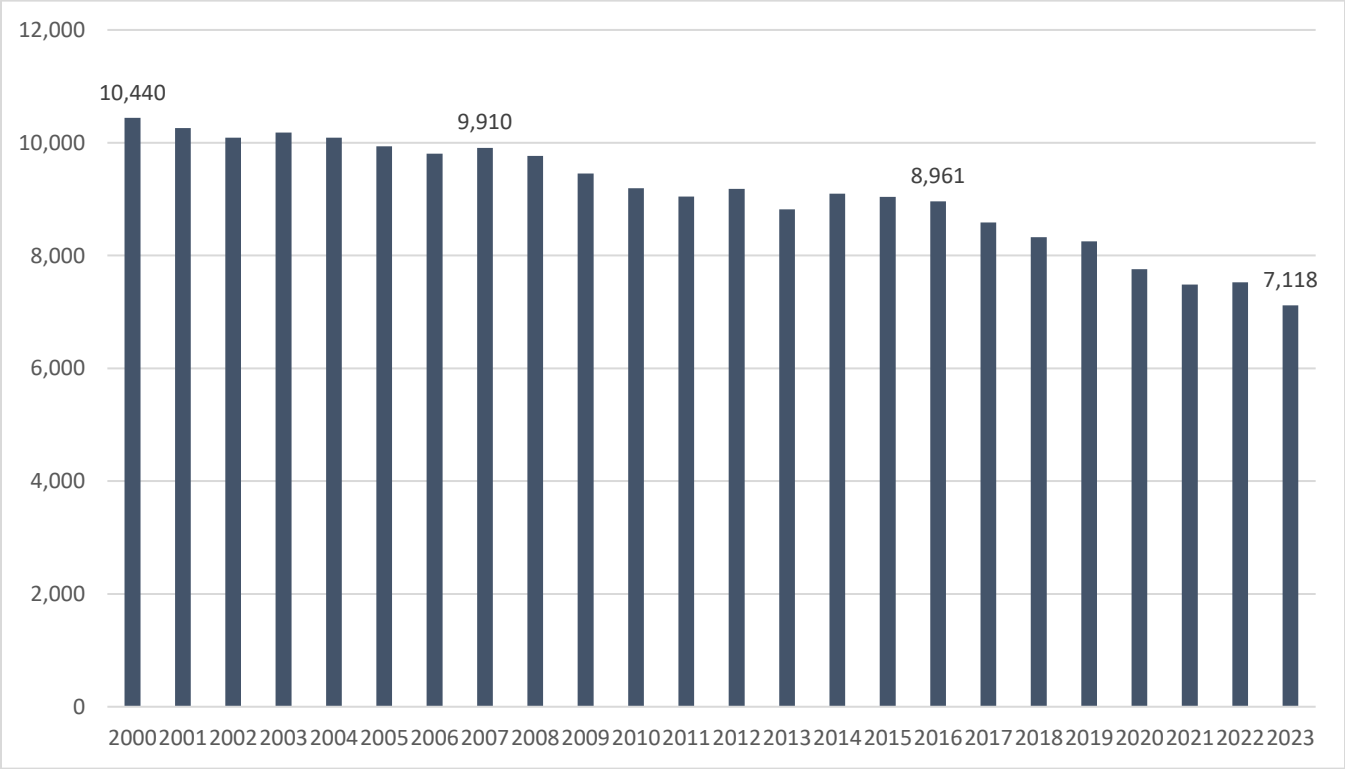
[1] The consultant utilized ZIP Code 94010.

Figure 20. California Births: 2000-2023



Source: California Department of Public Health.

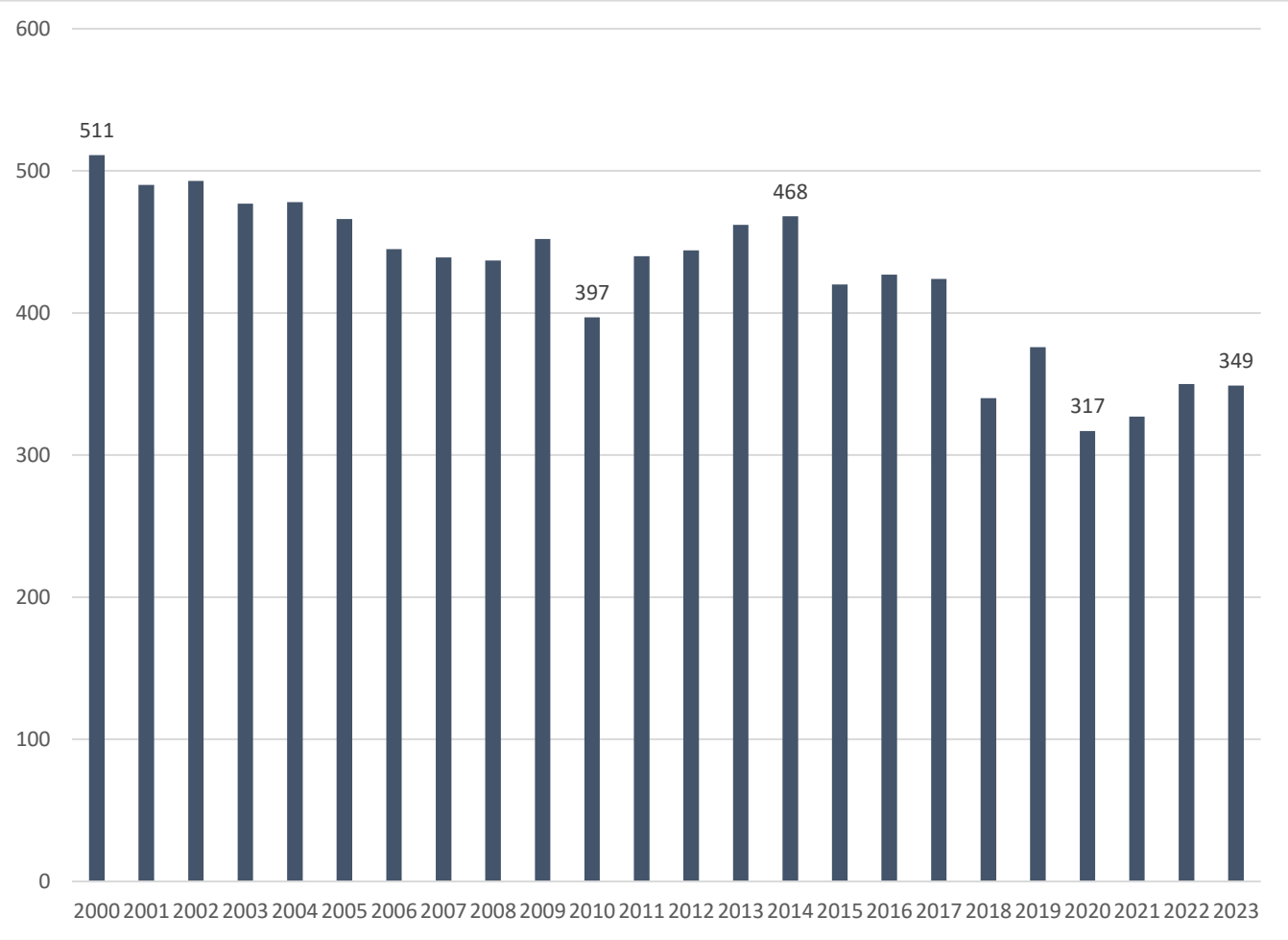
Figure 21. San Mateo County Births: 2000-2023



Source: California Department of Public Health.

As in San Mateo County, births in HCSD's ZIP code have decreased since 2000, through with some shifts in rising birth totals for a few years from 2010 to 2014, and another period of increasing births since a record-low point in 2020 (Figure 22). Overall, however, similar to the County, local births decreased by 31.7% decrease since the year 2000. Most importantly for future HCSD enrollment, the particularly low births recorded locally since 2018 are only just beginning to enter the District as particularly small cohorts of new kindergarten students.

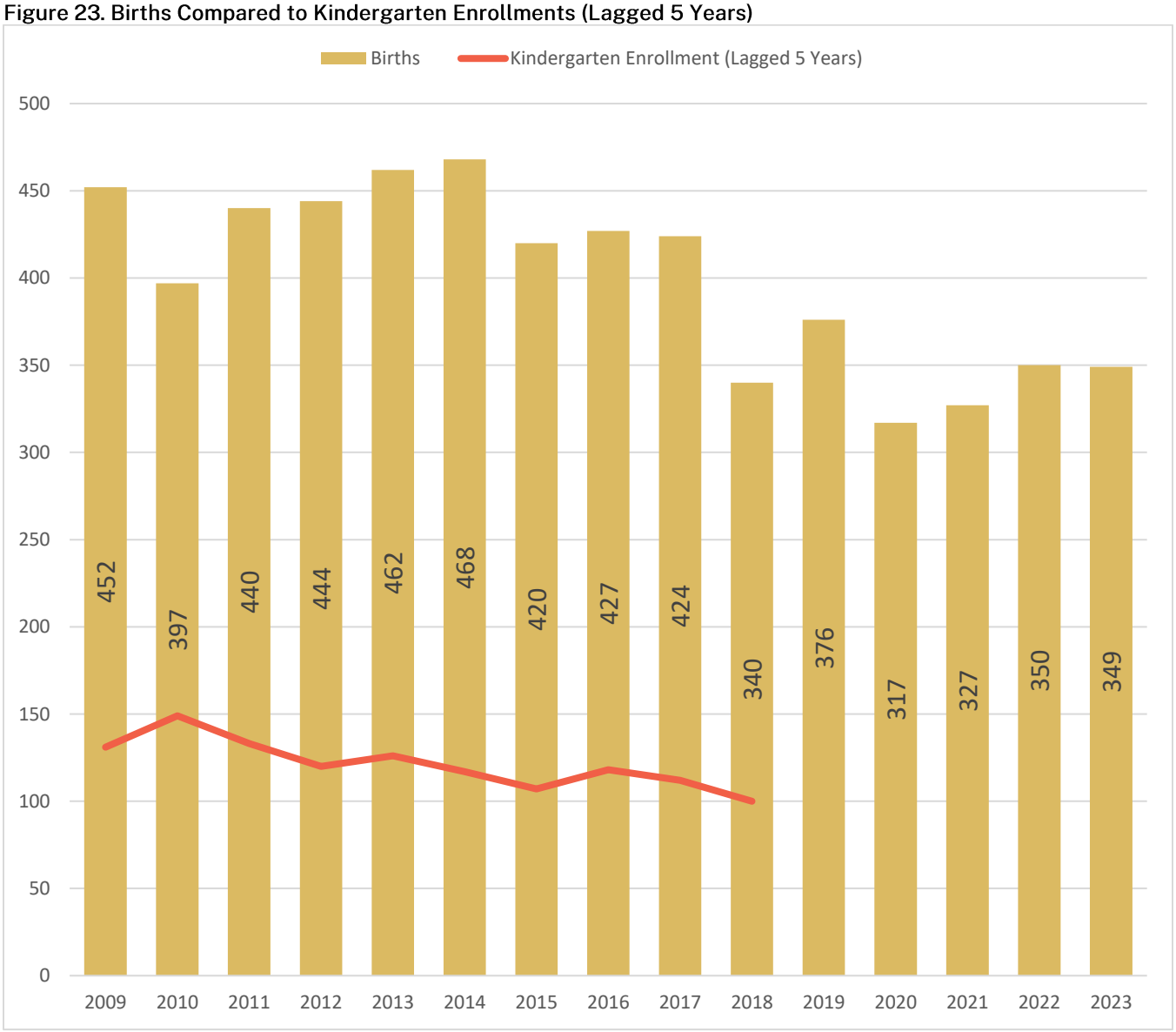
Figure 22. HCSD Births: 2000-2023



Source: California Department of Public Health.

The number of children born to parents who live in HCSD is correlated with the size of the incoming kindergarten cohort five years later and the transitional kindergarten (TK) cohort four years later. Therefore, King uses recent birth data as the most important factor when projecting future kindergarten and TK students for HCSD to accommodate. Figure 23 demonstrates this relationship. The ratio of kindergarten is much lower than births in this analysis since the ZIP code that covers HCSD also contains additional population served by other school districts.

Figure 23. Births Compared to Kindergarten Enrollments (Lagged 5 Years)



Source: California Department of Public Health and CDE.

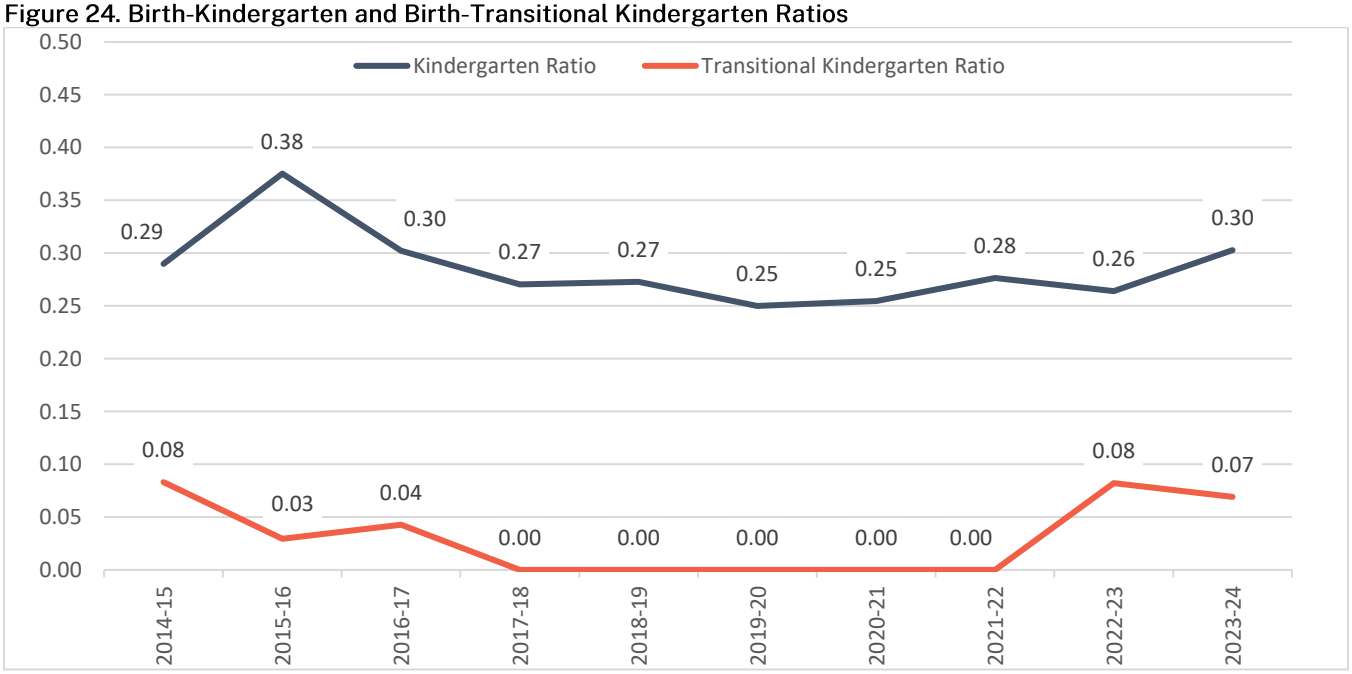
There is rarely a one-to-one correspondence between births and subsequent kindergarten enrollments. Table 6 and Figure 24 demonstrate the HCSD birth-to-kindergarten and birth-to-transitional kindergarten ratios. The ratio provides the percentage of local births that result in kindergarten enrollments in HCSD five years later, or transitional kindergarten enrollments four years later. It is a net rate because children move both into and out of the District.

Currently, the birth-to-kindergarten ratio is 0.29, meaning that for every 100 births in 2018, HCSD enrolled about 29 children in kindergarten classes five years later (in 2023). The transitional kindergarten ratio is currently 0.07. This means for every 100 births in 2019, the District enrolled approximately 7 TK students in 2023. These ratios are analyzed, and statistical calculations are applied to estimate future ratios. HCSD birth ratios have displayed a high degree of variability over the last decade.

Table 6. Birth-Kindergarten and Birth-Transitional Kindergarten Ratios

Birth Year	Births	Kindergarten Year	Kindergarten Enrollment	Ratio of Births to Kindergarten Enrollment	Transitional Kindergarten Enrollment	Ratio of Births to TK Enrollment
2009	452	2014-15	131	0.29	33	0.08
2010	397	2015-16	149	0.38	13	0.03
2011	440	2016-17	133	0.30	19	0.04
2012	444	2017-18	120	0.27	0	0.00
2013	462	2018-19	126	0.27	0	0.00
2014	468	2019-20	117	0.25	0	0.00
2015	420	2020-21	107	0.25	0	0.00
2016	427	2021-22	118	0.28	0	0.00
2017	424	2022-23	112	0.26	28	0.08
2018	340	2023-24	100	0.29	25	0.07
2019	376					
2020	317					
2021	327					
2022	350					
2023	349					

Figure 24. Birth-Kindergarten and Birth-Transitional Kindergarten Ratios



The projected birth-to-kindergarten ratios are multiplied by the number of births each year to project future kindergarten enrollments. King anticipates the birth to kindergarten ratio in the moderate enrollment projection will remain slightly below the relatively high ratio recorded in the current year, at around 0.28. To project kindergarten classes beyond 2028, statistical trend analysis is used to project future births.

Expanded Universal TK cohorts assume proportional enrollment based on the months of birth eligibility that are added each year, with increasing TK enrollment over the remaining two years of full implementation as the program increasingly becomes the first year of a two-year kindergarten program for District families, and then gradually increasing enrollments until TK levels for a cohort approach the independently projected kindergarten totals.

Student Migration Rates

The methods of projecting student enrollment in grades 1st – 8th involve the use of student migration rates. A migration rate is simply how a given cohort changes in size as it progresses to the next grade level.

1. Positive migration occurs when a District gains students from one grade into the next grade the following year. For example, a cohort of 100 1st grade students becomes a cohort of 125 2nd grade students the following year. In this case, 25 new students enrolled in the District who were not enrolled the prior year[2].
    a. Positive migration could be indicative of numerous influences, including the in-migration of families with young children to the District, private to public school transfers, new residential construction, District policy changes, school closures in adjacent Districts, etc.
2. Negative migration occurs when a District loses students from one grade into the next grade the following year. For example, a cohort of 100 1st grade students becomes a cohort of 75 2nd grade students the following year. In this case, 25 students who were present the prior year are not enrolled in the current year.
    a. These losses could be indicative of numerous influences including the closure of schools, District policy changes restricting inter-district transfer students, losses to private and charter schools or other Districts, out-migration of families due to economic decline, etc.

As an example, in 2022-23 the District's 2nd grade cohort numbered 124 students. A year later, this cohort became 3rd graders numbering 132. Using this example, the rate of cohort migration is calculated in the following way:

$$(132\text{-}124)/124 = +6.5\%$$

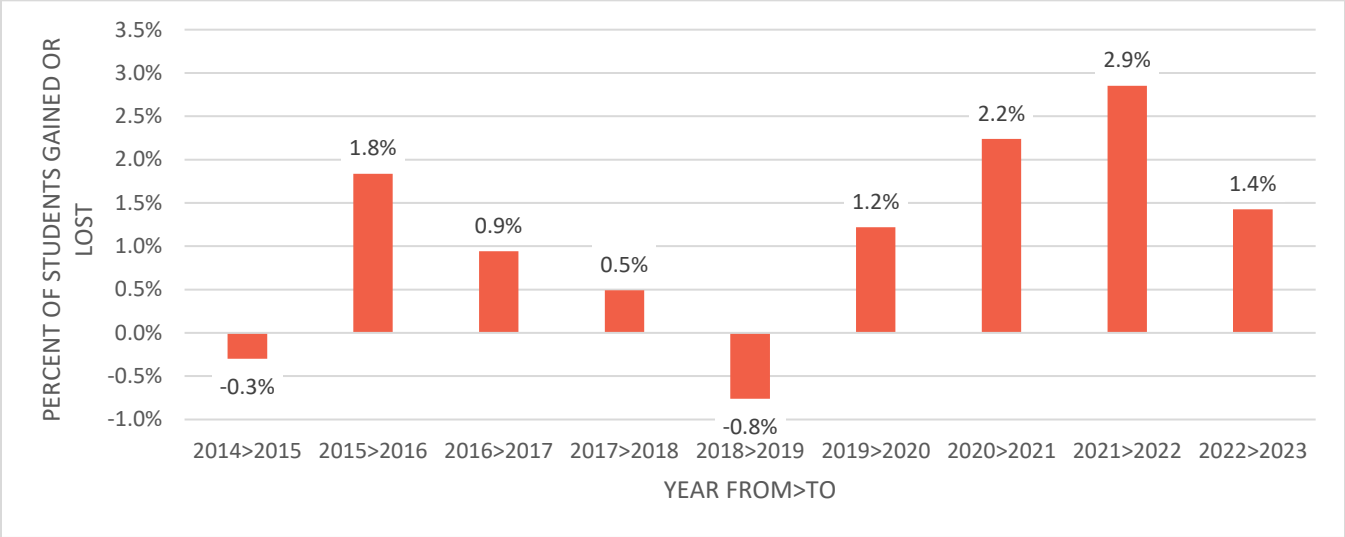
The 6.5% increase is a measure of the likelihood that a 3rd grade cohort will become larger or smaller as it advances into 4th grade the following year. Migration rates are calculated for all grade levels by year and

[2] These are net measurements.

then analyzed by the current grade level configuration to find an average rate of change. Exceptionally high or low migration numbers are usually given lower weight in the calculations, and more recent data is typically given a higher weight.

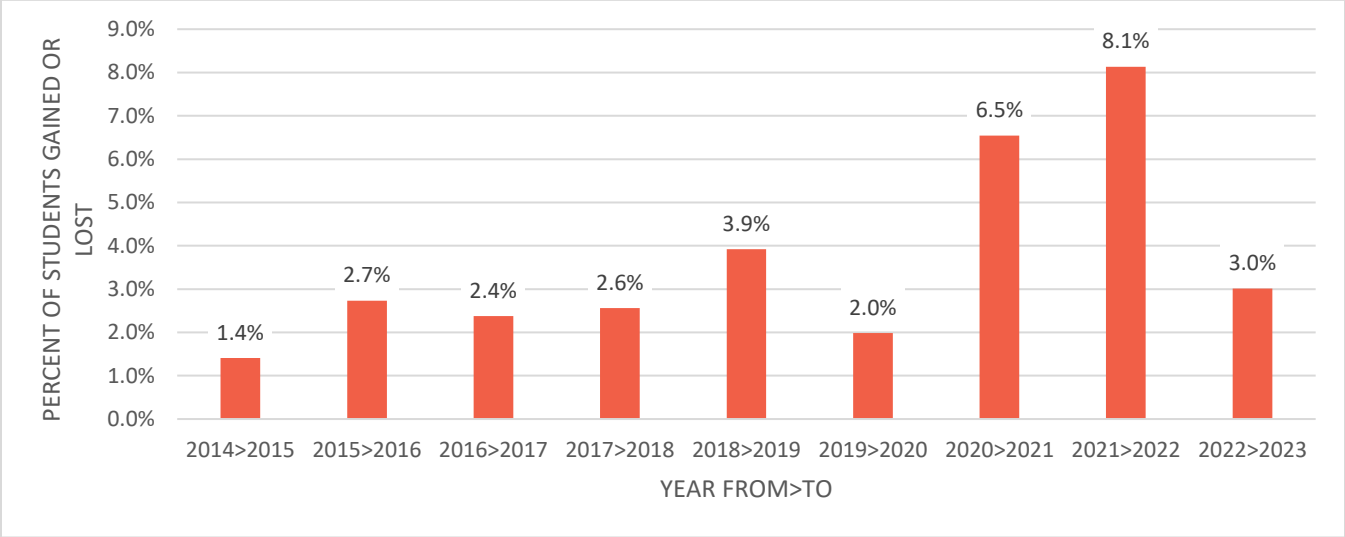
The chart in Figure 25 demonstrates the trends the District has experienced with its cohort migration of its enrollment over the previous decade. HCSD has exhibited mostly positive net cohort growth in its history, with recent years being among the most positive in terms of the growth of existing cohorts. The migration of students from 2022 into 2023 showed a net cohort growth of 1.4%.

Figure 25. Migration Grades K-7 > Grades 1-8



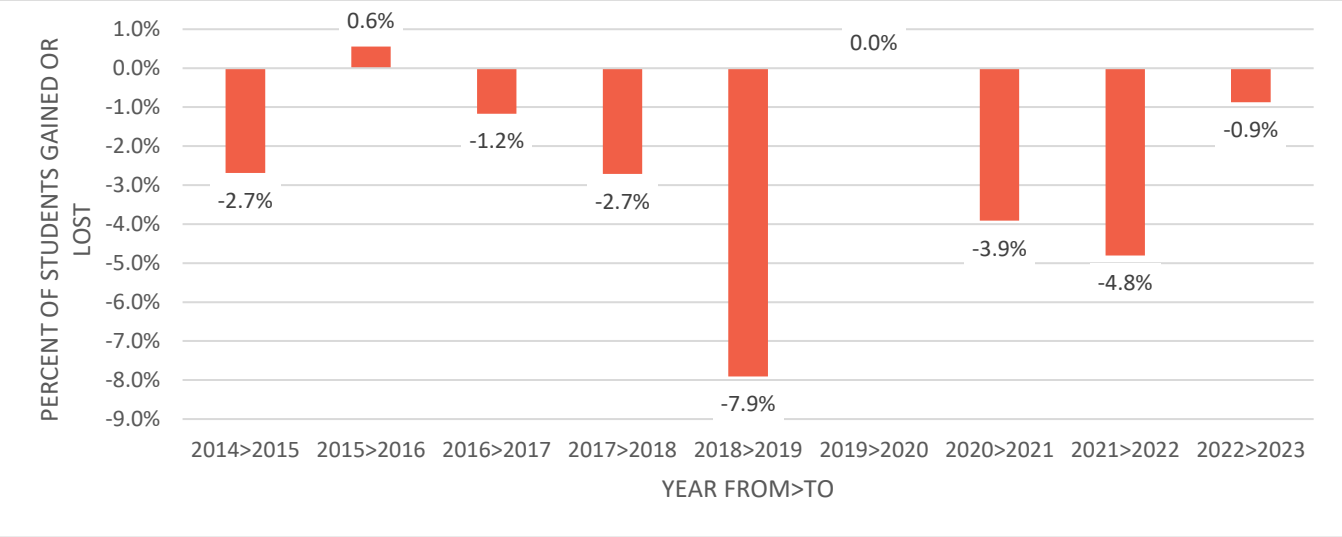
A closer examination of CUSD migration by grade level provides additional insight. HCSD migration at the elementary school grade levels has been positive each year of the past decade and was highly positive in 2021 and 2022 (Figure 26). Net cohort growth was 3.0% from 2022 into the 2023 academic year.

Figure 26. Migration Grades K-4 > Grades 1-5



Migration into HCSD's middle school grades, however, has been generally negative over the past decade, which is caused by a historical tendency for the District to see a reduction in enrollment between 5th and 6th grade and the transition into middle school (Figure 27). In the current year, this measure was only slightly negative overall, with the middle school population being only 0.9% smaller than those same cohorts in the year before.

Figure 27. Migration Grades 5-7 > Grades 6-8



It is important to note that while HCSD demonstrates overall positive net growth of its existing cohorts, especially throughout the elementary school grades, this growth is not as significant of a factor for future enrollment as is the cohort replacement of older, larger cohorts matriculating out of the District and being replaced by smaller incoming kindergarten cohorts. This annual reduction on enrollment is not offset by the net growth of the existing cohorts.

Residential Development

King contacted the Department of Building and Planning at the Town of Hillsborough to determine the extent to which an increased pace of residential development might need to be accounted for in the HCSD enrollment projections. The Town does not currently anticipate residential development at a scope that exceeds recent levels, which are already minimal aside from an uptick in the development of accessory dwelling units (ADUs). Since the impact of this baseline level of development, largely relatively small infill developments and ADUs, is already accounted for in the District's historical enrollment trends, additional student generation from development is not included in the projected enrollment.

It is also important to note that the Town of Hillsborough adopted a new Housing Element in December 2023 that identifies opportunity sites to allow the Town to meet is Regional Housing Needs Allocation (RHNA) of 554 new homes, of which 244 would be affordable housing of some type. The Housing Element identifies that most of this need will be met through continuing ADU development, which is already accounted for in historical trends. The remaining need can be accommodated, as demonstrated in the Housing Element, through single-family and multi-family opportunity sites. While the Housing Element identifies sites that can potentially accommodate the RHNA assigned to the Town, the actual development

of these sites into new housing that generates students will depend on market conditions and specific development applications. The District should monitor development closely, as a larger project of family-oriented affordable housing could generate additional students for future years of the enrollment projection. Until such time as there are specific project proposals, however, no additional students are built into the projections beyond the continuation of recent trends in ADU development that should continue.

Enrollment Projections

The benefit of tracking district demographic trends is the ability to utilize the trend data to project future enrollment. Predicting future enrollment is an important factor affecting many school processes: long-range planning, budgeting, staffing, and anticipating future building and capital needs. King has utilized several tools to project future enrollment, including the most major factors of net cohort growth and recent local birth rates.

The cohort survival method is the standard demographic technique for projecting enrollments. This method was utilized to project enrollments for HCSD. Using this method, the current student body is advanced one grade for each year of the projection. For example, year 2023 first graders become year 2024 second graders, and the following year's third graders, and so on. As a cohort moves through the grades, its total population will, as demonstrated above, most likely change. At the same time, new incoming cohorts of TK and kindergarten students are projected based on local births and added to each year to replace the previous year's outgoing cohort.

King calculates three distinct enrollment projections: a Low projection, a Moderate projection, and a High projection. Since recent birth to kindergarten ratios and grade-to-grade migration rates have demonstrated some variability, there is a range of plausible outcomes for the District's future enrollment over the next few years. By providing a range of enrollment projections that account for the record high and low input factors observed in the last few years, HCSD can plan for a range of valid possibilities that will be defined by the High and Low projections, especially in the short-term.

The Moderate projection is recommended for planning purposes, however, as this projection carefully balances the various input factors for a long-term balanced approach that is most likely to hold up over time. Individual school projections are based on the Moderate District-wide projection.

Low Enrollment Projection

Table 7. HCSD Low Enrollment Projection

	Actual				Projected						
Grade	21-22	22-23	23-24		24-25	25-26	26-27	27-28	28-29	29-30	30-31
TK	0	28	25		24	34	38	39	40	42	45
K	118	112	100		99	84	86	92	92	89	90
1	116	130	116		106	105	89	91	98	98	94
2	128	124	132		120	109	109	91	94	101	101
3	152	138	132		140	127	116	115	97	100	107
4	150	160	142		137	145	132	120	119	101	104
5	154	166	162		143	138	146	133	121	120	101
6	153	139	152		145	128	123	131	119	109	108
7	151	153	145		155	148	131	126	133	121	110
8	138	144	157		144	153	146	129	124	132	120
Total	1,260	1,294	1,263		1,213	1,171	1,116	1,069	1,039	1,013	980

Moderate Enrollment Projection

Table 8. HCSD Moderate Enrollment Projection

	Actual				Projected						
Grade	21-22	22-23	23-24		24-25	25-26	26-27	27-28	28-29	29-30	30-31
TK	0	28	25		27	37	42	44	44	47	50
K	118	112	100		105	88	91	98	97	94	95
1	116	130	116		107	112	94	97	104	104	100
2	128	124	132		121	111	116	98	101	108	108
3	152	138	132		142	130	119	125	106	109	117
4	150	160	142		137	148	135	124	130	110	113
5	154	166	162		145	140	151	138	127	133	112
6	153	139	152		147	132	128	138	126	116	121
7	151	153	145		155	151	135	131	141	129	118
8	138	144	157		144	154	149	134	129	140	128
Total	1,260	1,294	1,263		1,231	1,204	1,162	1,127	1,106	1,089	1,063

Based on the HCSD District-wide Moderate enrollment projection, the District's enrollment will decrease overall through 2030-31. Even with the continuing rollout of Universal TK and corresponding larger TK cohorts, the effects of smaller kindergarten cohorts entering the District each year, based on recent low birth rates, will be the overriding factor influencing HCSD's future trends.

Total HCSD enrollment is projected to decrease from 1,263 in the current year to 1,063 by 2030-31 (minus 200 or 15.8%) as incoming kindergarten cohorts are generally anticipated to contain fewer than 100 students every year after 2025-26.

High Enrollment Projection

Table 9. HCSD High Enrollment Projection

	Actual				Projected						
Grade	21-22	22-23	23-24		24-25	25-26	26-27	27-28	28-29	29-30	30-31
TK	0	28	25		30	41	46	48	49	52	55
K	118	112	100		111	93	96	103	103	99	100
1	116	130	116		107	119	100	103	110	110	106
2	128	124	132		121	112	124	105	108	115	115
3	152	138	132		143	131	121	134	113	117	125
4	150	160	142		138	149	137	127	140	118	122
5	154	166	162		147	142	154	142	131	145	122
6	153	139	152		149	135	131	141	130	120	133
7	151	153	145		156	153	139	135	146	134	124
8	138	144	157		145	157	153	139	135	146	134
Total	1,260	1,294	1,263		1,247	1,232	1,202	1,177	1,164	1,156	1,136

Enrollment Projections by School

Tables 10-14 provides a summary of enrollment projections by school. King prepared these individual school enrollment projections utilizing the standard cohort survival methodology, historical migration rates, and birth to kindergarten ratios. The individual school enrollment projections assume that the rate of progression from one grade to the next will be consistent with the rates of progression in previous years, barring obvious outliers that were appropriately weighted or removed. Importantly, given the pending expansion of Transitional Kindergarten to an effective new grade level over the next two years, these projections currently assume that TK will continue to be offered at all sites at the same proportion as in the current year. Should this change, particularly with respect to TK being added to North Hillsborough, these projections should be adjusted accordingly.

Finally, these forecasts do not take into consideration local district factors such as changing school programs, the requirements of teacher to student ratios by grade level, the availability of classrooms, and the movement of students required to maintain the teacher/student ratio at all grade levels. Overloading, overflow designations, and intra-district transfer policy can also have an enormous effect on an individual school's enrollment projection accuracy, even while total District-wide projections remain accurate.

Table 10. North Hillsborough Elementary School Enrollment Projection

	Actual				Projected						
Grade	21-22	22-23	23-24		24-25	25-26	26-27	27-28	28-29	29-30	30-31
TK											
K	45	41	35		38	32	33	35	35	34	34
1	37	50	43		37	41	34	35	38	38	36
2	44	37	52		44	39	42	35	35	39	39
3	45	47	41		55	48	42	45	38	38	42
4	43	45	50		43	57	50	43	47	39	40
5	51	44	47		52	44	60	52	46	50	41
Total	265	264	268		269	260	261	246	239	238	232

Table 11. South Hillsborough Elementary School Enrollment Projection

	Actual				Projected						
Grade	21-22	22-23	23-24		24-25	25-26	26-27	27-28	28-29	29-30	30-31
TK		9	15		16	22	25	26	27	28	30
K	37	30	29		30	25	26	28	28	27	27
1	36	37	29		29	31	26	27	28	28	27
2	41	44	35		31	31	33	27	28	30	30
3	42	46	45		38	34	34	36	30	31	33
4	44	47	45		46	40	35	36	36	31	32
5	39	50	48		46	48	41	36	36	37	32
Total	239	263	246		238	231	220	216	214	213	212

Table 12. West Hillsborough Elementary School Enrollment Projection

	Actual				Projected						
Grade	21-22	22-23	23-24		24-25	25-26	26-27	27-28	28-29	29-30	30-31
TK		19	10		11	15	17	18	18	19	20
K	35	41	36		37	31	32	34	34	33	33
1	43	42	44		40	41	34	36	38	38	36
2	43	43	44		45	41	42	35	37	39	39
3	65	45	46		47	49	43	45	38	39	42
4	63	68	47		48	50	51	45	47	40	41
5	64	72	67		47	48	49	51	45	47	40
Total	313	330	294		275	274	268	264	257	255	251

Table 13. Crocker Middle School Enrollment Projection

	Actual				Projected						
Grade	21-22	22-23	23-24		24-25	25-26	26-27	27-28	28-29	29-30	30-31
6	153	139	152		147	132	128	137	126	116	121
7	150	153	145		155	151	135	131	140	129	118
8	138	143	157		144	154	149	134	129	139	128
Total	441	435	454		447	437	412	401	395	383	367

Table 14. HCSD Non-Public Enrollment Projection

	Actual				Projected						
Grade	21-22	22-23	23-24		24-25	25-26	26-27	27-28	28-29	29-30	30-31
TK											
K	1										
1		1									
2			1						1		
3					2					1	
4						2					1
5							1				
6								1			
7	1								1		
8		1								1	
Total	2	2	1		2	2	1	1	2	2	1

SECTION D: CONCLUSION AND CONSIDERATIONS

Conclusion and Considerations

Future enrollment trends for the Hillsborough City School District are primarily driven by the decreasing population of young children residing within the District, and the replacement of older, larger student cohorts with new incoming kindergarten cohorts that contain fewer students. Each year that the new cohort is smaller than the exiting 8th grade cohort from the previous year, total enrollment will decrease absent mitigating factors. While there are mitigating factors in TK expansion and consistent net cohort growth, especially in the elementary grades, these factors will not add enough new students to overcome the baseline trends ultimately rooted in population demographics and a historical reduction in local births.

Based on the analyses prepared for this study, the Hillsborough City School District should expect its total enrollment to decrease over the coming years. Despite this, there will remain some considerations for the District during the projection period:

1. The District should plan for how it will continue to accommodate the additional TK students it will enroll, as the increased proportion of these youngest students may require more specialized classroom facilities.
2. Monitor residential development throughout the District, as a significant increase in the pace of new home development could affect the District's future enrollment.

SOURCES

California Basic Educational Data System. California Department of Education.

California Department of Finance, Demographic Research Division.

California Department of Public Health, Vital Statistics.

California State Allocation Board. Applicant Handbook, Leroy F. Greene State School Building Lease Purchase Law of 1976, revised 1986.

California State Department of Education. School Facilities Planning Division, School Site Analysis and Development, 2000.

California State Department of Finance, Demographic Research Unit. Population and Housing Estimates for California Cities and Counties, Report E-5. Birth Rate Projections by County and Historical Birth Rates.

CoreLogic. RealQuest.

King Consulting original research.

Town of Hillsborough.

United States Bureau of the Census.