

ENROLLMENT FORECASTS

March 2009 Update

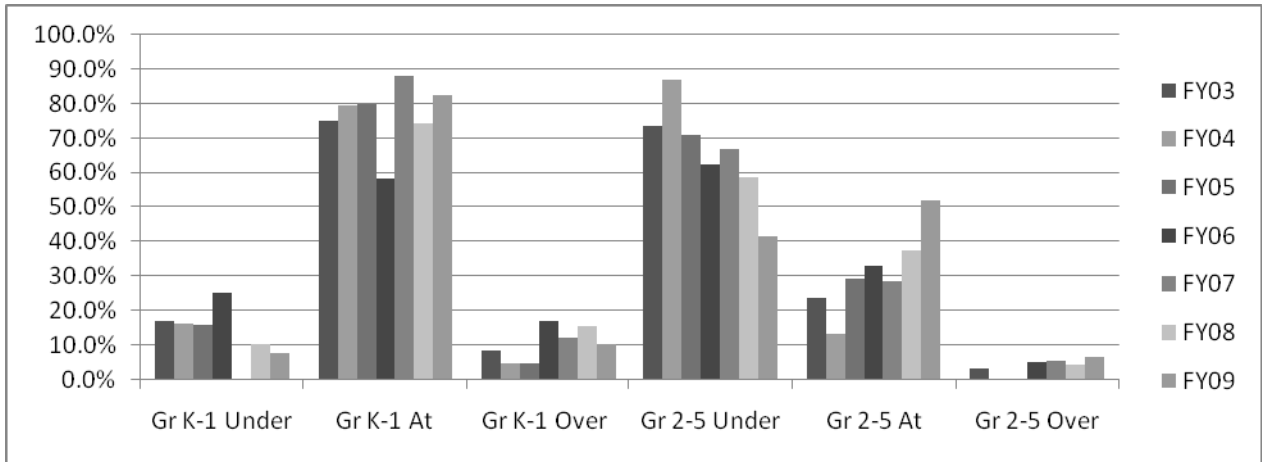
Appendix C of the Advisory Report presented to the Spring 2008 Annual Town Meeting contained a lengthy review of student enrollments, enrollment projections, and class sizes at Wellesley's public schools, and of per pupil spending on education in Wellesley and other cities and towns in Massachusetts. The referenced Appendix, together with a brief subsequent update, is posted on the Town's web-site. In this report, we provide some fresh data and commentary but make no effort to recreate the entire report.

Enrollment Growth: After experiencing very strong growth in system-wide student enrollments for many years, Wellesley's public schools should finally begin to see some much-anticipated relief. Although the actual increase in system-wide enrollments in FY09 was 121 (or 2.6%), versus the projection last year of an increase of 93, the projected increase for next year, at 48 (or 1.0%), would be the lowest in a decade. In recent years there have been some upside surprises at the elementary level: in FY08 there were 32 more enrollees in Grade 1 than projected, and in FY09 the biggest surprise came in K, with 22 more students than projected, largely a result of in-migration. On the other hand, in FY09 WHS enrollments were somewhat lower than expected.

Enrollment Projections: Although enrollment projections are always subject to uncertainty, in today's environment there is perhaps more than the usual degree. On the one hand, the weak economy and housing markets may reduce the pace of turnover in the housing stock and, as a result, reduce levels of in-migration. But the collapse of the stock market, the deepening recession, and growing job losses might also lead to a shift in the public/private school mix. The looming WHS construction project may discourage some families from enrolling at the high school over the next several years, but other prospective development projects – the St. James site, most specifically – could have the opposite effect. The Town's birth rate came in lower than anticipated for 2008, and may temporarily decline further. The year-to-year cohort progression rates that are used to project enrollments are based on 5-year historical averages, not forecasts, so these factors will be reflected in enrollment forecasts only with a lag. System-wide enrollments are now expected to increase by just over 1% p.a. for the next three years, and then go into a gradual, steady decline of around -1.2% p.a. for the 7 years after that. Relief for the elementary schools is expected to begin in the next two years, with no change in aggregate elementary enrollments forecast for FY10. At WMS and WHS, student enrollments are not expected to peak until FY14 and FY18, respectively. Accommodating the larger numbers of students at WMS and WHS remains a critically important focus of the School Department.

Enrollments & Class Size: Growing enrollments have pressured school facilities and class sizes across the system, but the School Department continues to manage these pressures successfully. In the past few years, the upper grade levels at several **elementary** schools (primarily Hardy, Sprague, and Upham) have experienced increases in average class size, and the share of classes under guideline has shrunk rapidly, as shown in the chart below (the School Department sets class-size guidelines at 18-22 students for K-1, and 22-24 students for Grades 2-5). But this has not translated into significant increases in classes over guidelines at the elementary level. Instead, the share "at guideline" has grown rapidly. With enrollments at the elementary level expected to decline very soon, the School Department has determined, in the face of budgetary pressures, to hold the line on the number of regular classroom teachers at the elementary level. As far as space needs and utilization are concerned, the School Committee has appointed a Sub-Committee to develop a new Elementary Master Plan.

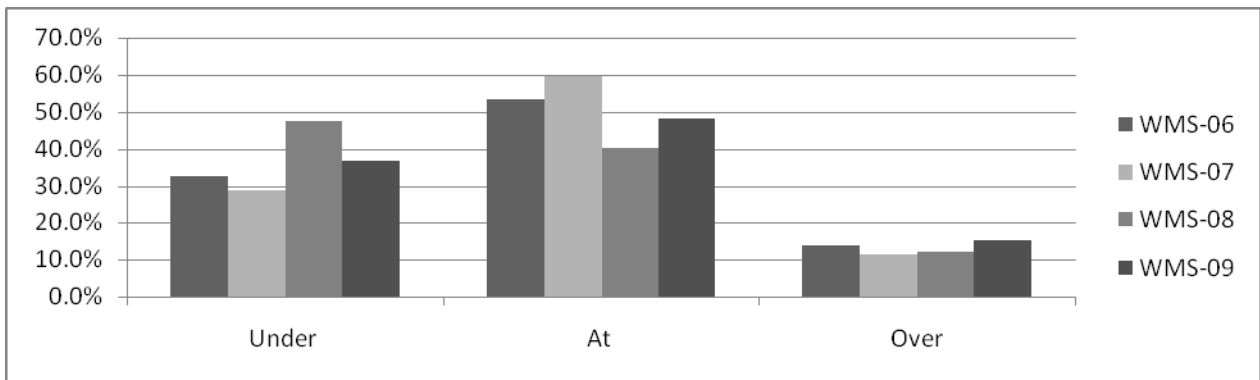
% of Elementary Classes Under/At/Over Guideline: Grade Levels K-1 and 2-5



The pressures experienced in the elementary schools in recent years have also been evident at the **middle** and **high** schools, and these pressures will only increase in the coming years. The School Department’s class-size guideline for core academic classes at the secondary schools is 22 (15 for Level 3 core academic classes at the high school). For the purposes here, we define “under guideline” as classes with 20 or fewer students, and “over guideline” 24 or more students.

The distribution of class size for core academic classes at **WMS**, updated to include FY09 data, is shown below.

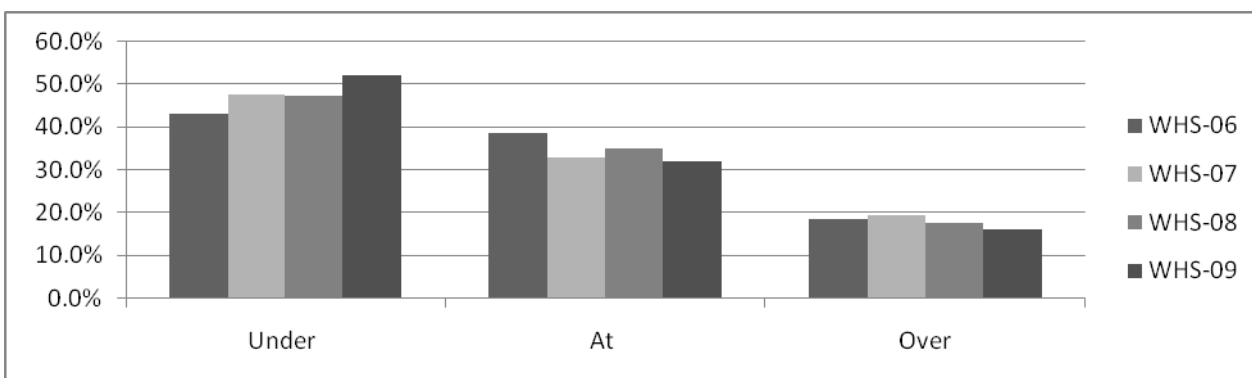
% of Core Academic Classes Under/At/Over Guideline: Middle School



There has been some deterioration at the middle school in this past year. However, despite the forecast of further growth in enrollments in the years ahead, there is relief in sight. The School Department has moved to restructure Grade 6, shifting from 16 classes in 4 “houses” to 18 classes in 4 ½ “houses.” 2.0 FTE new Grade 6 teachers, and new class room space, are being added. With projections of some 397 students in Grade 6, the net result is likely to be an average class size in FY10 for core academic courses of 21.8, versus 22.9 in FY09. Funds for additional staff for core academic courses and electives at higher grade levels (3.1 FTE) and additional guidance counseling resources (0.5 FTE) are also included in the FY10 budget.

At **WHS**, the trends are, for now, more favorable, with the percent of core academic classes under guideline again rising, and the percent over guideline again showing a modest decline. The FY10 budget included 2.0 FTE for additional staffing for special education programs, but no increase in regular education staffing.

% of Core Academic Classes Under/At/Over Guideline: High School

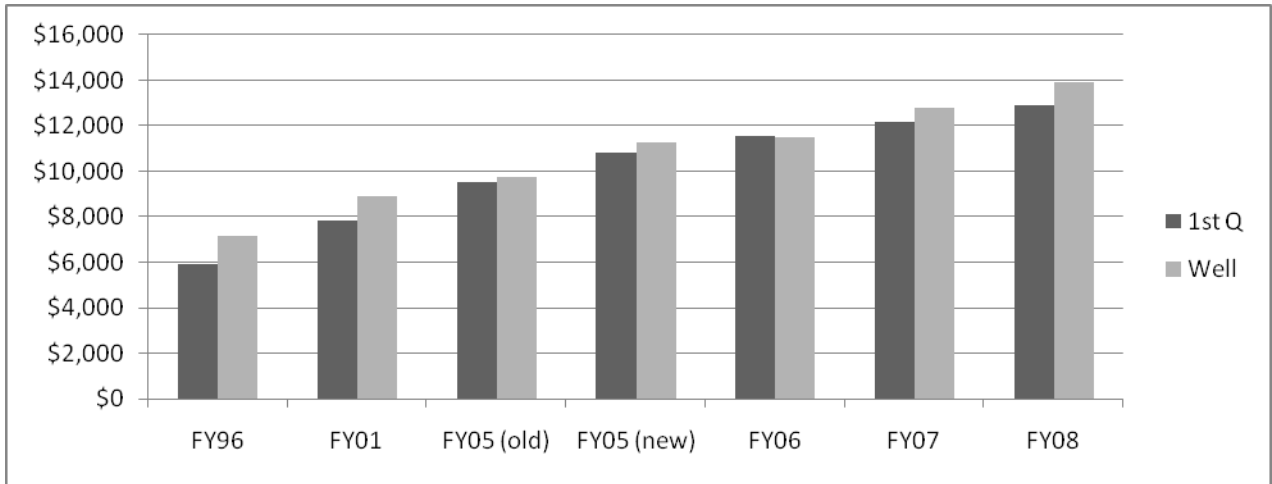


With the new WHS project now approved, permitting activity underway, and completion now expected in the fall of 2012, the Town will be very well-positioned to accommodate the expected significant increases in high school enrollments long before the peak is reached in FY18.

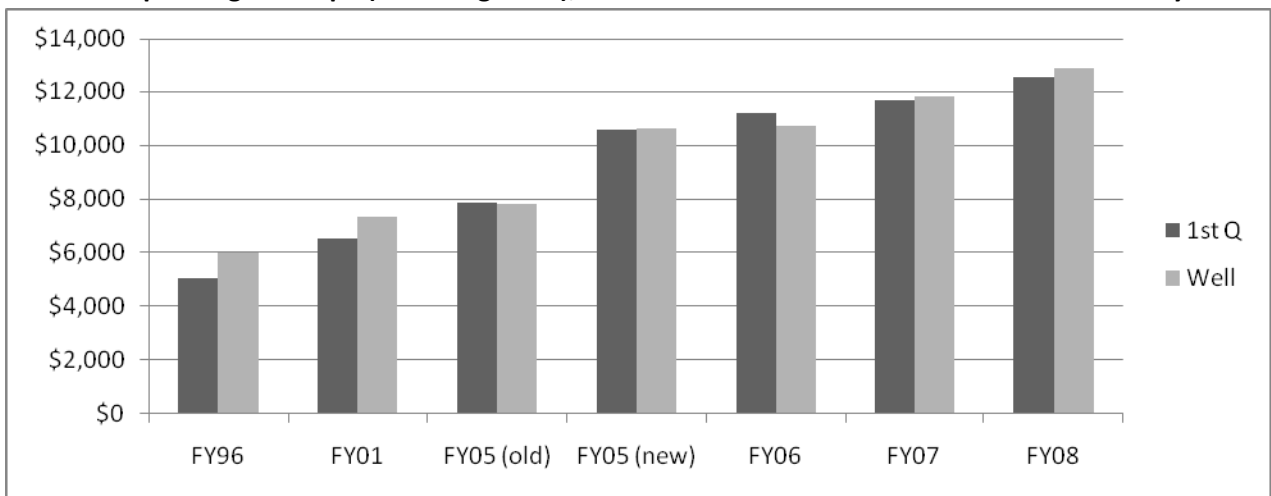
Enrollment Implications for Operating Budgets and Educational Quality: As noted in our report last year, compared to many neighboring towns Wellesley has experienced unusually rapid enrollment growth over the past decade, and especially over the past three-to-five years. This growth has been one of the significant drivers of increased School Department operating budgets. At the aggregate level this trend has now begun to slow, and total system-wide enrollment growth should not be as significant a factor in the growth of the operating budget over the next five to ten years - although the shift in the student “bulge” from the elementary to the middle and high schools is a mixed blessing, because per pupil spending at the secondary school level is higher.

The obvious follow-up question is how these enrollment and budget pressures have impacted the quality of the educational services delivered by the WPS. To some degree, we have addressed this question above – one of the key metrics in the assessment of program quality is class size, which, while pressured, has been largely kept within the School Department’s guidelines. But there are other metrics that should be looked at. Perhaps the most commonly-used metric in assessing a town’s commitment to maintaining the quality of its public schools is per pupil spending – both over time, and in comparison to peers and state-wide averages. The data presented in the Advisory Report and a subsequent update last spring, also available on the Advisory website, can now be updated with FY08 data from the Department of Elementary and Secondary Education (with one key caveat: not all school districts have reported yet). The updated charts are provided here, the first showing per-pupil spending in aggregate, and the second with SPED spending excluded.

School Spending Per-Pupil, Massachusetts 1st. Quartile District and Wellesley



School Spending Per-Pupil (excluding SPED), Massachusetts 1st. Quartile District and Wellesley



The charts show a continuing improvement in the level of per-pupil spending in the Wellesley Public Schools, both in aggregate terms and relative to state-wide levels (as reflected by the 1st Quartile district in Massachusetts). This follows a period of marked deterioration in the Town's relative standing in the middle part of the current decade, at a time when enrollments were rising rapidly and budgets were tight. The charts immediately above will show further improvement once FY09 numbers are added, as the the FY09 budgegt projected an increase of 8.5% in spending, while student enrollments were up 2.3% system-wide. While the tight budgets are now returning, the rapid increases in enrollments are, fortunately, receding into the past.