

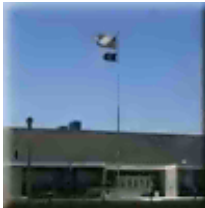
***GREATER EGG HARBOR REGIONAL  
SCHOOL DISTRICT***

**ENROLLMENT PROJECTION UPDATE**

**2006 – 2010**



**Greater Egg Harbor Regional High School District**



**PREPARED BY:**



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**DECEMBER 2006**

***GREATER EGG HARBOR  
REGIONAL SCHOOL DISTRICT***

**DEMOGRAPHIC DATA UPDATE  
2006 – 2010**

**I. INTRODUCTION**

**Purpose of the Current Study:**

In November Of 2006, the Greater Egg Harbor Regional School District (GEHRSD) contracted with the *Center for Regional and Business Research* (CRBR) at Atlantic Cape Community College to update high school enrollment projections for the 2006 – 2010 period. The CRBR had performed the same services in 2002 and again in 2004. In addition, separate work for the Galloway and Hamilton districts, the two largest in the GEHRSD, had been performed in 2005. This included a long-term projection for the Hamilton district based on expected population and housing growth through 2015.

The purpose of the current study is twofold:

1. Incorporate the most recent historical data into the projection models to establish the latest trends possible. The 2001 – 2005 district level data for the component districts – Egg Harbor City, Galloway Township, Hamilton Township, Mullica Township, Port Republic, and Washington Township – was found on the NJDOE website (<http://www.state.nj.us/njded/data/enr/>). The 2006 enrollments from the final 2007-2008 Application for State Aid (ASSA) were used to add the final year. This latter data set does not separate self-contained special education students from the overall special education tiers. Therefore, only the aggregate district numbers were used.

2. To examine the latest economic and demographic data for the region. The GEHRSD high school population has grown by over 20% in the past five years. This has been fueled by the population growth in the region that has far exceeded the average for New Jersey. The assessment of forecast risks in providing projections for capital projects must include this information as well as expected growth trends over the projection period.

### **Outline of the Current Study:**

This study is an update of previous projections but also is based on the current NJDOE methodology using the Cohort-Survival Enrollment Projection Worksheet (CSEPWS) found in **APPENDIX 2**. While the projections from this worksheet have been corrected for an under-projection compared to actual enrollments in 2006, its calculated growth rates were used. The discussion of regional growth factors helps to explain this under-forecast as well as the forecast risks in the future.

The outline for the study:

1. Review historical enrollment growth patterns and previous CRBR projections from 2002 and 2004.
2. Present regional growth trends that will impact future enrollments in the GEHRSD.
3. Show current projections, discuss the methodology used, and assess the risks to the projections in light of economic and demographic trends.

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**II. HISTORICAL ENROLLMENT TRENDS  
AND PREVIOUS PROJECTIONS**

**Historical Trends:**

The actual enrollments for the past five years are shown in detail in **TABLE 1** below. As the table reports, the enrollments in PK-8 are growing slowly. This is due to the fact that the enrollments at all but one of the districts have stopped growing over the past five years. Only Hamilton's enrollments continue to grow, providing some impetus for both PK-8 and high school increases.

Previous long-term projections for Hamilton's schools performed by the CRBR show continued growth in that district. The key trend to monitor is in Galloway Township where the local Charter School has expanded to k-8 over the past five years. From 139 students in k-4 in 2001, the 2005 enrollments stood at 264 students in k-8. While this explains part of the slowdown in that district, the fact that Galloway Township is a designated Pinelands Growth Center means that part of future housing growth in the county will occur there. This will be illustrated in **Part II**.

**Table 1**


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**GEHRSD ENROLLMENT PROJECTIONS  
HISTORICAL ENROLLMENTS, 2001 - 2006  
CENTER FOR REGIONAL AND BUSINESS RESEARCH  
DECEMBER 2006**

	YEAR						
	2000	2001	2002	2003	2004	2005	2006
pk	100	169	153	143	149	352	
K	771	755	749	782	738	772	
1	818	821	808	755	807	751	
2	863	805	847	816	769	836	
3	856	871	850	882	826	820	
4	886	877	898	873	885	897	
5	917	898	955	923	848	927	
scse k-5	314	236	213	213	210	221	
6	911	921	955	965	927	916	
7	895	876	988	979	992	996	
8	866	911	924	995	1006	961	
scse 6-8	157	118	107	107	105	111	
Sp. Ed.	471	354	320	320	315	332	
pkse	34	30	51	50	68	52	
Total, k-8	8388	8288	8498	8483	8330	8612	8632
9	859	908	974	1093	1115	1054	
10	818	861	873	952	982	1021	
11	658	694	745	804	855	854	
12	573	647	667	708	775	827	
Sp. Ed	149	118	135	96	55	130	
Total HS	3056	3227	3393	3653	3781	3885	3951
<b>Total GEHRSD</b>	<b>11444</b>	<b>11515</b>	<b>11891</b>	<b>12136</b>	<b>12111</b>	<b>12497</b>	<b>12583</b>

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The historical growth rates for enrollment are shown in **TABLE 2**. As is reported, the five-year rate for the middle grades of 2.4% indicates a period of slow growth that has been somewhat reversed by higher growth in the lower grades of 5.0%. These, however, do not give an indication of the growth in the high school student counts. The 22.5%

growth in grades 9-12 is an indication that other factors are at work that may not be adequately reflected in cohort-survival tables.

**Table 2**

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**GEHRSD ENROLLMENT PROJECTIONS  
ENROLLMENT GROWTH RATES, 2001 - 2006  
CENTER FOR REGIONAL AND BUSINESS RESEARCH  
DECEMBER 2006**

	<u>2001</u>	<u>2006</u>	<u>% Growth 2001-06</u>
<b>Total, k-8</b>	8,288	8,632	<b>4.2%</b>
<b>subtot,k-5</b>	5,462	5,737	<b>5.0%</b>
<b>subtot, 6-8</b>	2,826	2,895	<b>2.4%</b>
<b>subtot, 9-12</b>	3,393	3,951	<b>22.5%</b>
<b>Total District</b>	11,681	12,583	<b>7.7%</b>

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In addition to the growth of charter school enrollments, the expansion of private and parochial schools in the area has played a role in these growth disparities. Finally, as the next section will show, the region is experiencing substantial in-migration at all age cohort levels. This in-migration has accelerated at the retirement age cohorts but also in the younger cohorts as regional job expansion has out-paced the state's overall rate of growth.

**Previous Projections:**

The CRBR provided enrollment projections in 2002 and these were updated in 2004. At that time it was shown that the growth path for district projections was moderate. The table below compares the 2006 projection with the actuals provided in the latest ASSA reports. The projections proved somewhat too high. However, growth has continued to occur.

**TABLE 3**

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**GEHRSD ENROLLMENT PROJECTIONS  
2004 PROJECTIONS VERSUS ACTUAL ENROLLMENT 2006  
CENTER FOR REGIONAL AND BUSINESS RESEARCH  
DECEMBER 2006**

	<b>Projected 2004 <u>2006</u></b>	<b>Actual <u>2006</u></b>
<b>K-8</b>	8,744	8,632
<b>High School</b>	4,095	3,951
<b>GEHRSD Total</b>	12,839	12,583

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The forecast error was due, in part, to changes to the cohort-survival table which had under-forecasted for previous years. Therefore, the following changes were made as explained in the memo that accompanied these projections in 2004:

The survival ratios have been rising over time for three of the four HS grades (reflecting those entering the system at this stage and not through grade school). The mid-growth scenario uses an average of the past five years for these ratios. In the event that these are trends, this scenario used the last (2003-04) actual ratio for the five year projection. This makes them higher than the average but not as high as they would be if the growth trends were continued.

**For the current update, the five-year average growth rates from the CSEPW have been retained to moderate the projections. The growth rates used for updating the projections are consistent with those from the worksheet.**

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**III. REGIONAL GROWTH FACTORS**

While cohort-survival projections are based on past trends, it is important to understand the impact that current trends can have on them. To assess the risks for the projections in this update, the following sections examine the factors driving regional growth. These will demonstrate that the risk in the next five years remains on the higher growth side of the projections. Regional growth shows no signs of slowing as baby boomers continue to move to the area and demand more services while the casino gaming industry in Atlantic City plans for a number of new projects. Some of these are in construction or have recently been completed.

Many of the opportunities for growth and the natural assets of the GEHRSD townships are derived from its location. As part of the Atlantic City region, the district is strategically located to be the home to both employees and businesses which service the casino gaming industry. In addition, the quality of life of the region, with its proximity to the shore and large areas of preserved land, have made it attractive to the wave of retiring baby boomers just now influencing housing markets around the nation.

**Employment Growth:**

As the table below reports, employment in Atlantic County continues to grow much faster than the state level. In fact, for the past year this growth of 1.8% was three times greater than that of the state.

**TABLE 4**

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**GEHRSD  
TOTAL NONFARM EMPLOYMENT  
CENTER FOR REGIONAL AND BUSINESS RESEARCH  
SOURCE: NJ DEPT. OF LABOR**

<b>Area</b>	<b>2005 <u>Oct</u></b>	<b>2006 <u>Oct</u></b>	<b>% <u>Growth</u></b>
<b><u>Atlantic City Labor Area (Atlantic County)</u></b>	154.3	157.1	1.8%
<b><u>State of New Jersey</u></b>	4056.7	4081.5	0.6%

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**Population Trends:**

Overall growth in the marketplace is illustrated by the population estimates in **TABLE 5**. Once again, this growth has far out-paced that of the state. The 7.1% growth in County population has been concentrated in a few of the municipalities, three of the top four being in the GEHRSD. The overall rate of 7.1% made Atlantic County a growth leader in the state and was more than twice the 3.4% state increase.

In terms of the actual number of additional residents, Hamilton, Egg Harbor and Galloway are the leaders. This growth will continue as these municipalities have been designated as *growth centers* by the Pinelands Commission which controls land use in the region. As noted previously, the growth in Galloway constitutes a forecast risk in that that district's enrollments have stabilized in the past five years. However, population and housing growth has been substantial indicating the potential for a new wave of growth in the number of students.

**TABLE 5**

**GEHRSD**  
**POPULATION ESTIMATES, 2000-2005**  
**SOURCE: NJ DEPT. OF LABOR**

<u>County/Municipality</u>	<u>Estimates as of July 1</u>		
	<u>2000</u>	<u>2005</u>	<u>% GROWTH</u>
<b>New Jersey</b>	<b>8,433,704</b>	<b>8,717,925</b>	<b>3.4%</b>
<b>Atlantic County</b>	<b>253,110</b>	<b>271,015</b>	<b>7.1%</b>
Egg Harbor Township	30,962	38,093	23.0%
Hamilton	20,610	23,899	16.0%
Port Republic	1,038	1,194	15.0%
Galloway	31,490	35,833	13.8%
Corbin City	472	531	12.5%
Estell Manor	1,592	1,723	8.2%
Hammonton	12,622	13,585	7.6%
Margate	8,201	8,666	5.7%
Absecon	7,640	7,989	4.6%
Northfield	7,730	8,025	3.8%
Longport	1,053	1,090	3.5%
Mullica	5,914	6,109	3.3%
Weymouth	2,256	2,325	3.1%
Linwood	7,183	7,398	3.0%
Brigantine	12,590	12,861	2.2%
Buena Vista Township	7,433	7,539	1.4%
Somers Point	11,597	11,701	0.9%
Pleasantville	18,998	19,032	0.2%
Folsom	1,971	1,972	0.1%
Atlantic City	40,459	40,368	-0.2%
Buena Borough	3,866	3,848	-0.5%
Egg Harbor City	4,536	4,497	-0.9%
Ventnor	12,897	12,737	-1.2%

The New Jersey Department of Labor has projected (<http://www.wnjin.net/OneStopCareerCenter/LaborMarketInformation/lmi03/cototal.pdf>) that the Atlantic County population will continue to grow at a pace that is 36% higher than the state rate through 2015. By that year the county's population will reach 295,400 which is an addition of over 40,000 people from the Census 2000 count of 252,552, a growth of 17%. For the same period the New Jersey population will increase by only 12.5%. In

this region, this will include the continued in-migration of immigrants seeking jobs in the casino hotel industry.

### Housing Trends:

With the pressures resulting from rapid population growth and the constraints cause by environmental restrictions to building in many townships, the housing stock in the county has come under severe pressure. Much of this pressure has been felt in the Pinelands growth centers of Galloway, Hamilton and Egg Harbor townships. The building permit data reported in **TABLE 6** below illustrates these trends. While only 2005 permits are shown, this trend has existed since the late 1990's when housing expansion began increasing to a peak in 2004. The national housing slowdown in late 2005 has moderated these numbers, but the magnitude indicates the growth that still continues.

**TABLE 6**

<b>GEHRSD</b>			
<b>Residential Housing Units Authorized To Be Built</b>			
<b>Annual 2005</b>			
<b>Atlantic County</b>	<b>Total Units</b>	<b>Single- Family Units</b>	<b>Single- Family Value</b>
Absecon	79	79	9,966,085
Atlantic City	101	70	9,752,940
Brigantine	164	158	24,034,966
Buena borough	6	6	794,992
Buena Vista township	24	24	2,625,869
Corbin City	3	3	198,580
Egg Harbor City	11	11	1,016,764
Egg Harbor township	519	519	53,683,246
Estell Manor	8	8	642,590
Folsom borough	2	2	65,442
Galloway township	348	348	36,410,269
Hamilton township	331	236	22,633,945
Hammonton town	79	79	10,339,738
Linwood	26	24	4,793,294
Longport borough	23	23	13,353,751
Margate City	60	31	8,667,420
Mullica township	24	24	2,609,030
Northfield	40	40	4,450,126
Pleasantville	92	92	7,821,432
Port Republic	23	23	3,072,001
Somers Point	22	22	3,276,092
Ventnor City	15	15	6,658,480
Weymouth township	2	2	23,050
<b>Atlantic County Totals</b>	<b>2,002</b>	<b>1,839</b>	<b>226,890,102</b>

The pressure on the housing stock has also resulted in escalating prices in the region. As the population continues to grow, housing markets will need to adjust to the needs of moderate income families. This has begun as both Galloway and Hamilton have made provisions for COAH approved units (see **APPENDIX 1**) at moderate prices.

**TABLE 7**

**GEHRSD  
MEDIAN SALES PRICE: RESIDENTIAL HOMES  
SOURCE: NJ DEPT. OF TREASURY**

	<u>2001</u>	<u>2006</u>	<u>% GROWTH</u>
ATLANTIC COUNTY	\$133,129	\$285,816	114.7%
Longport borough	\$435,522	\$1,467,132	236.9%
Brigantine city	\$168,327	\$570,948	239.2%
Margate City city	\$200,652	\$568,316	183.2%
Ventnor City city	\$149,566	\$440,005	194.2%
Linwood city	\$197,978	\$410,507	107.3%
Somers Point city	\$135,707	\$319,076	135.1%
Port Republic city	\$143,400	\$298,329	108.0%
Northfield city	\$137,622	\$294,174	113.8%
Estell Manor city	\$122,971	\$278,805	126.7%
Egg Harbor township	\$119,348	\$274,888	130.3%
Mullica township	\$148,495	\$263,728	77.6%
Corbin City city	\$57,900	\$245,986	324.8%
Atlantic City city	\$102,730	\$236,919	130.6%
Absecon city	\$123,885	\$232,963	88.0%
Galloway township	\$100,693	\$226,143	124.6%
Hammonton town	\$111,575	\$215,270	92.9%
Folsom borough	\$95,860	\$210,504	119.6%
Egg Harbor City city	\$93,540	\$207,729	122.1%
Hamilton township	\$89,248	\$204,277	128.9%
Buena borough	\$90,866	\$174,568	92.1%
Pleasantville city	\$74,157	\$165,334	123.0%
Buena Vista township	\$101,177	\$157,500	55.7%

These units are more prone to being at higher densities and having school-aged children. As the documents in the appendix show, Hamilton has changed its zoning to accommodate up to 1,400 new units into the Township. Memos from township planners

show that Hamilton expects between 220 and 324 new units each year through the end of the projection period in 2010. Likewise, Galloway projects that 2,024 new units will be built by 2012.

As noted above, there are two major components of population and housing growth in the region. The first is tied to employment growth, primarily driven by the expansion of the gaming industry in Atlantic City. Many of the jobs generated in the County are directly in this industry (which now employ 47,000), a service to it, or a consequence of the wages and salaries of its employees. The other major job generator is the housing and population growth itself with construction jobs growing and healthcare responding to the needs of retirees.

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**DEMOGRAPHIC DATA UPDATE  
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**IV. ENROLLMENT PROJECTIONS, 2006 – 2010**

**Methodology:**

As discussed above, the following methodology was use to develop the projections that follow:

- The cohort-survival worksheet was completed using NJDOE enrollment data and NJ Department of Health birth data as required for 2000 - 2005.
- This worksheet then calculated the 2006 – 2010 projections based on five-year average cohort survival rates. These were not adjusted.
- The actual ASSA enrollments for 2006 were compared to those calculated by the worksheet. The high school projected enrollments were 60 students below the actual counts. The pk-8 district projections were within 40 of the actual numbers and were not adjusted.
- The high school enrollments in the projected years 2007 – 2010 were adjusted to reflect the 2006 level of 3,951 students using the same annual growth rates that the worksheet calculated. The difference at the end-point of 2010 is due to the compounded growth of this correction.
- The district total was corrected to reflect the higher high school enrollments.

**Projections:**

The actual data is summarized in the table below and reported on the Addendum to the NJDOE CSEPW in **APPENDIX 2**. As reported, the high school actual enrollment in

2006 was 3,951 while that calculated by the worksheet was 3,891. The 2010 projection difference that results from raising the 2006 level to the actual count is 4,273 students, an increase of 322 from the current level. Likewise, in 2010 the district projection increases by the 249 student difference in the CSWPW number of 4,024 and the corrected 4,273 projection.

**TABLE 8**

**GEHRSD ENROLLMENT PROJECTIONS  
COHORT PROJECTIONS VERSUS ACTUAL ENROLLMENT, 2006-2010  
CENTER FOR REGIONAL AND BUSINESS RESEARCH  
DECEMBER 2006**

	<u>2005</u>	<u>2006</u>	<u>2010</u>
subtot, 9-12, CSWPW	3,885	3,891	4,024
subtot, 9-12, corrected	3,885	3,951	4,273
<b>Total District, CSWPW</b>	12,497	12,534	12,697
<b>Total District, corrected</b>	12,497	12,583	12,946

The resulting growth rates are shown in **TABLE 9**. Comparing these to the last five year rates in **TABLE 2**, the k-8 rate is much lower than the 4.2% from 2001-2006 as is the high school rate which was 22.5%. The district projection of 3.6% is less than half of the 7.7% experienced in the last five years. These projections are conservative.

**TABLE 9**

**GEHRSD ENROLLMENT PROJECTIONS  
ENROLLMENT GROWTH RATES, 2001 - 2006  
CENTER FOR REGIONAL AND BUSINESS RESEARCH  
DECEMBER 2006**

	<u>2005</u>	<u>2006</u>	<u>2010</u>	<u>% Growth 2005-10</u>
<b>Total, k-8</b>	8,612	8,632	8,673	<b>0.7%</b>
<b>subtot, 9-12</b>	3,885	3,951	4,273	<b>10.0%</b>
<b>Total District</b>	12,497	12,583	12,946	<b>3.6%</b>

Finally, the grade projections were developed using the % difference between the worksheet projection and the corrected level for each year. These are shown below:

**TABLE 10**

<b>GEHRSD ENROLLMENT PROJECTIONS</b>							
<b>ENROLLMENT PROJECTIONS, BY GRADE, 2006 - 2010</b>							
<b>CENTER FOR REGIONAL AND BUSINESS RESEARCH</b>							
<b>DECEMBER 2006</b>							
<u>Grade</u>	<u>2001</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
<b>9</b>	908	1,054	1,067	1,140	1,098	1,165	1,161
<b>10</b>	861	1,021	1,017	1,031	1,101	1,061	1,109
<b>11</b>	694	854	912	910	921	983	933
<b>12</b>	647	827	837	895	891	903	949
<b>Sp. Ed</b>	118	130	116	117	119	121	121
<b>Total HS</b>	3,227	3,885	3,951	4,092	4,130	4,232	4,273

**Conclusions:**

The current projections are fairly conservative, using the cohort-survival method based on five-year averages. While this model under-projected the 2006 high school enrollments, past experience and a longer-term view give no reason to develop an alternative methodology. The correction method is a standard forecasting tool to match the endpoints between actual data and projected data.

The discussion of regional growth trends establishes the foundation for continued growth in the district's population. **The risk to the forecast is clearly for higher than expected growth. The rates imbedded in the projections presented here are relatively low given the population growth that has occurred in the recent past and, by all indications, will continue in the near future.**

Why the enrollments have not shown the same robust growth as overall population and employment growth is not completely known. The mix of housing stock and the age of

in-migrating households needs further study but is not adequately captured in existing data sources. As a consequence, the district needs to be aware of these risks and monitor the data for shifting trends.

**APPENDIX 1:**

**TOWNSHIP HOUSING PROJECTIONS**

**APPENDIX 2:**

**COHORT-SURVIVAL ENROLLMENT  
PROJECTION WORKSHEET  
AND ADDENDUM**

**ADDENDUM TO THE COHORT-SURVIVAL ENROLLMENT PROJECTION WORKSHEET DATED 12/27/06,**

**GEHRSD ENROLLMENT PROJECTIONS  
ENROLLMENT PROJECTIONS, BY GRADE, 2006 - 2010  
CENTER FOR REGIONAL AND BUSINESS RESEARCH  
DECEMBER 2006**

<u>Grade</u>	<u>2001</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
<b>9</b>	908	1,054	1,067	1,140	1,098	1,165	1,161
<b>10</b>	861	1,021	1,017	1,031	1,101	1,061	1,109
<b>11</b>	694	854	912	910	921	983	933
<b>12</b>	647	827	837	895	891	903	949
<b>Sp. Ed</b>	118	130	116	117	119	121	121
<b>Total HS</b>	<b>3,227</b>	<b>3,885</b>	<b>3,951</b>	<b>4,092</b>	<b>4,130</b>	<b>4,232</b>	<b>4,273</b>
<b>Total GEHRSD</b>		<b>12,497</b>	<b>12,583</b>	<b>12,773</b>	<b>12,795</b>	<b>12,903</b>	<b>12,946</b>

**The above information is prepared and certified by a qualified demographer.  
Demogrpher's Firm Name: Center for Regional and Business Research, Atlantic Cape CC  
Name: Richard C. Perniciaro, Ph.D.**

**Signature:**

 12/27/06

