

Impact On Valley County Public School Enrollment of WestRock Resort Development

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Summary

The WestRock Development could directly contribute about 18 students to the Valley County school system in year one. By year 15, WestRock could be responsible for about 161 additional students. Spread over the 10 schools in the valley, the impact would amount to about 2 students per school initially with a maximum impact of about 16 students per school in year 15. The results are similar on a per grade basis. Spread over the 13 K-12 grades, WestRock can be expected to contribute between 2 and 13 students to each grade level in the Valley County school system. As a percent of total enrollment, the WestRock development's impact on local schools will be quite light for several years. With a current enrollment of about 1,442 students, the WestRock Development will only result in a 1% - 2% increase in the first 3 years of operation. By year five, the impact of west rock will still be a relatively modest 6%. Fifteen years down the road, WestRock's direct impact on local schools is expected to peak at about 11%.

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Analysis

The employment requirements of the WestRock Development are relatively well defined but the impact of the Development on local schools is substantially less so. In order to determine the impact on schools it is necessary to determine the extent to which WestRock will hire out of the local labor pool. Once the local labor pool is exhausted, employees will have to be recruited from other areas. It is these employees and their associated dependents that will affect Valley County school enrollment.

The following table summarizes, by category and by year, WestRock’s anticipated employment levels. In sparsely populated counties, even small changes in population can be significant. Compared to Valley Counties current population of about 8,000, the year 15 employment number for WestRock approaches an 18 percent increase in the population. However, because of the nature and the timing of WestRock’s employment rollout schedule, the impact on local schools may be substantially less than the increase in the population suggests.

Total WestRock Employment

	Year				
	1	3	7	11	15
Full-time Yearly	60	100	189	226	238
Full-time Seasonal	150	184	427	542	575
Part-time Seasonal	30	205	430	598	660
Total	240	489	1,046	1,366	1,473

For starters, it is anticipated that much of WestRock’s employees will come from the local labor pool. Currently in the Adams and Valley County area, there are about 650 unemployed persons and a combined unemployment rate of about 11 percent. Reducing the unemployment rate to the statewide average of 3 percent would mean that WestRock could potentially employ up to 475 persons from the local labor pool.

Total WestRock Local Employment

	Local Content	Max	Year				
			1	3	7	11	15
Full-time Yearly	80%	150	48	80	150	150	150
Full-time Seasonal	70%	225	105	129	225	225	225
Part-time Seasonal	50%	100	15	100	100	100	100
Total		475	168	309	475	475	475

The preceding table displays a rough approximation the number, by job category, and the timing, of Valley and Adams county persons employed by WestRock. The exact numbers hired, and when is of course unknown. However, for the purposes of this exercise, it is assumed that up to 80 percent of the full time yearly employees, up to a maximum of 150 persons are local hires. These would be people in all job categories, from construction, to trades, to finance, real estate, and the service sector. Further, it is assumed that 70 percent of the Full-time Seasonal employees will come from the local market up to a maximum of 225 employees. These employees are more itinerant in nature and are typically filled by people entering the ski / hospitality industry and college students taking a semester off to ski, etc. The final category, Part-time seasonal, is assumed to be comprised of 50 percent locals up to a maximum of 100. These are jobs typically filled by high school and/or college students in the summer, and college students taking a semester off to ski.

The following table presents the result of subtracting the number of local hires, by job class and year, from the total number of employees required by WestRock. This table starts to illustrate the potential WestRock has to employ local persons, and the manner in which the impact of non-local employees will be phased in. While out of area employees will ultimately comprise a substantial portion of WestRock's employees, the bulk of the early hiring will go to local residents and it will be about 7 years before out of area employees will outnumber locally hired employees.

Total WestRock Non-Local Employment

	Year				
	1	3	7	11	15
Full-time Yearly	12	20	39	76	88
Full-time Seasonal	45	55	202	317	350
Part-time Seasonal	15	105	330	498	560
Total	72	180	571	891	998

The following table details the potential of non-local WestRock employees to impact the local population. This is an inherently subjective process but fortunately we have some data to help determine the boundaries of our assumption. Generally the minimum bound is a ratio of 1:1. This means that each additional non-local employee adds only one person to the population. Strictly speaking, ratios of less than 1:1 are possible if people commute from other areas to the workplace. At the top end, we have data from the Census that indicate in Valley County, there are on average 2.51 persons in each household. Using that ratio for non-local WestRock full time yearly hires suggests that each 12 new hires will add 30 people to the Valley county population.

At the opposite end of the spectrum, part-time seasonal employees are much less likely to be supporting a family. As such using a ratio of 1.05:1 results in 330 part-time seasonal employees increasing the population to 347. In the middle is the Full-time Seasonal category. Workers in this category are much

less likely to be supporting a family as the full-time yearly people, but much more likely to be supporting a family than the part time employees. As such a ratio of 1.4:1 is used as an intermediate estimate.

Population Impact

	N.L. Emp. to Tot Pop. Ratio	Years				
		1	3	7	11	15
Full-time Yearly	2.5	30	50	98	190	220
Full-time Seasonal	1.4	63	77	283	444	490
Part-time Seasonal	1.05	16	110	347	523	588
Total		109	238	727	1,157	1,298

In aggregate, it seems to reasonable to conclude that the WestRock development will result in a population increase in Valley County of from about 109 persons in year one to nearly 1,300 persons in year 15.

The estimate of WestRock’s impact on the Valley County population, makes it possible to take the final step of estimating the impact on Valley County school enrollment. According to the Idaho State Department of Commerce and the US Census Bureau, 27.9 percent of the Valley County population is 18 years of age or younger. Adjusting the 27.9 percent number for the school age portion results in a factor of .186 to be applied to the relevant population. In this example, a factor of .186 [$\{(18-6)/18\} \times 27.9 = 18.6\%$] was applied to the populations associated with the Full-time Yearly and Full-time Seasonal populations. It is assumed that the Part-time Seasonal related population will not be a significant source of school age children. For the latter category, a factor of .05 was arbitrarily chosen in the unlikely event that there is one school age child associated with every 20 Part-time Seasonal employees.

Based on these calculations, the WestRock Development could directly contribute about 18 students to the Valley County school system in year one. See the following Table. By year 15, WestRock could be responsible for about 161 additional students. Spread over the 10 schools in the valley, the impact would amount to about 2 students per school initially with a maximum impact of about 16 students per school in year 15. The results are similar on a per grade basis. Spread over the 13 K-12 grades, WestRock can be expected to contribute between 2 and 13 students to each grade level in the Valley County school system. As a percent of total enrollment, the WestRock development’s impact on local schools will be quite light for several years. With a current enrollment of about 1,442 students, the WestRock Development will only result in a 1% - 2% increase in the first 3 years of operation. By year

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Student Population Impact

	Age 6-18 / Tot Pop	Years				
		1	3	7	11	15
Full-time Yearly	0.186	6	9	18	35	41
Full-time Seasonal	0.186	12	14	53	83	91
Part-time Seasonal	0.05	1	6	17	26	29
Total Additional Students		18	29	88	144	161
Impact Per Grade		2	2	7	12	13
Impact Per School		2	3	9	14	16
Total Curr. Valley Co Enrollment		1442				
Percent Increase from Current		1%	2%	6%	10%	11%