



**Options
for
General Education
Formula Changes
to
Limit Revenue
Disparities**

**Report to the
Legislature**

January 2007

**As Required by
Minnesota Statutes,
Section 127A.51**

**COMMISSIONER
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ESTIMATED COST OF PREPARING THIS REPORT

This report provides information that the Department of Education already collects as part of its normal business functions. The cost information reported below does not include the cost of gathering and analyzing the data but rather is limited to the estimated cost of actual preparing this report document.

Special funding was not appropriated for the costs of preparing this report.

The estimated cost incurred by the Minnesota Department of Education in preparing this report is \$2,211.00.

OPTIONS FOR GENERAL EDUCATION FORMULA CHANGES TO LIMIT REVENUE DISPARITIES

Statutory Directive

Minnesota Statutes 2006, Section 127A.51, reads as follows:

Section 127A.51 Statewide average revenue.

By October 1 of each year the commissioner must estimate the statewide average adjusted general revenue per adjusted marginal cost pupil unit and the disparity in adjusted general revenue among pupils and districts by computing the ratio of the 95th percentile to the fifth percentile of adjusted general revenue. The commissioner must provide that information to all districts.

If the disparity in adjusted general revenue as measured by the ratio of the 95th percentile to the fifth percentile increases in any year, the commissioner shall recommend to the legislature options for change in the general education formula that will limit the disparity in adjusted general revenue to no more than the disparity for the previous school year. The commissioner must submit the recommended options to the education committees of the legislature by January 15. (emphasis added)

For purposes of this section and section [126C.10](#), adjusted general revenue means:

(1) for fiscal year 2002, the sum of basic revenue under section [126C.10](#), subdivision 2; supplemental revenue under section [126C.10](#), subdivisions 9 and 12; transition revenue under section [126C.10](#), subdivision 20; referendum revenue under section [126C.17](#); and equity revenue under section [126C.10](#), subdivisions 24a and 24b; and

(2) for fiscal year 2003 and later, the sum of basic revenue under section [126C.10](#), subdivision 2; referendum revenue under section [126C.17](#); and equity revenue under section [126C.10](#), subdivisions 24a and 24b.

Background

The October 2006 calculations under Minnesota Statutes 2006, Section 127A.51, given in the table below, show an increase in the projected ratio of the 95th percentile to the fifth percentile of adjusted general revenue from 1.202 in FY 2006 to 1.242 in FY 2007. While the 1.242 ratio projected for FY 2007 is lower than in any year between FY 1992, when these calculations were initiated, and FY 2001, it exceeds the ratio computed for FY 2006 and therefore triggers the statutory requirement for the commissioner to “recommend to the legislature options for change in the general education formula that will limit the disparity in adjusted general revenue to no more than the disparity for the previous school year.” Preliminary calculations for FY 2008, based on November 2006 forecast data, (reflecting November 2006 operating referendum results), show a further increase in the projected ratio of the 95th percentile to the 5th percentile

MINNESOTA DEPARTMENT OF EDUCATION														OCTOBER_2006_DISPARITY_REPORT			
Program Finance Division														09/15/06			
OCTOBER 2006														GENERAL EDUCATION REVENUE DISPARITY REPORT, M.S. 127A.51			
Estimated General Education Revenue Per Weighted ADM																	
BASIC + SUPPLEMENTAL + TRANSITION + REFERENDUM + EQUITY REVENUE																	
TRANSITION REVENUE IS EXCLUDED AFTER FY 2003																	
		FY	FY	FY	FY	FY	FY	FY	FY	FY	FY	FY	FY	FY	FY	FY	FY
		1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
STATE AVERAGES:		3,390	3,398	3,416	3,476	3,541	3,891	4,003	3,980	4,247	4,511	4,688	4,942	5,088	5,185	5,411	5,715
PERCENTILES:	1ST	3,050	3,050	3,050	3,150	3,205	3,440	3,550	3,530	3,740	3,964	4,078	4,604	4,611	4,614	4,820	5,057
	5TH	3,050	3,050	3,050	3,150	3,205	3,469	3,577	3,530	3,740	3,964	4,309	4,604	4,611	4,614	4,856	5,108
	10TH	3,050	3,050	3,050	3,150	3,205	3,488	3,591	3,530	3,762	4,029	4,418	4,611	4,644	4,693	4,930	5,209
	20TH	3,050	3,050	3,054	3,150	3,222	3,570	3,717	3,744	4,029	4,302	4,465	4,643	4,715	4,863	5,129	5,385
	30TH	3,056	3,070	3,154	3,182	3,329	3,727	3,828	3,845	4,101	4,343	4,518	4,715	4,845	4,997	5,246	5,522
	40TH	3,177	3,174	3,189	3,349	3,453	3,814	3,913	3,879	4,140	4,404	4,569	4,792	4,968	5,103	5,339	5,641
	50TH	3,244	3,257	3,303	3,428	3,507	3,860	3,953	3,897	4,194	4,487	4,635	4,874	5,051	5,194	5,419	5,775
	60TH	3,373	3,383	3,377	3,471	3,526	3,893	4,001	3,972	4,271	4,525	4,688	4,971	5,137	5,304	5,544	5,805
	70TH	3,552	3,561	3,561	3,537	3,583	3,949	4,093	4,060	4,418	4,651	4,825	5,096	5,333	5,403	5,624	5,903
	80TH	3,611	3,626	3,637	3,628	3,645	4,074	4,217	4,203	4,473	4,719	4,873	5,209	5,434	5,484	5,690	5,961
	90TH	3,901	3,930	3,972	3,960	4,009	4,326	4,402	4,334	4,579	4,926	5,071	5,356	5,478	5,519	5,742	6,183
	95TH	4,181	4,124	4,124	4,109	4,162	4,502	4,684	4,611	4,805	5,025	5,191	5,462	5,570	5,603	5,837	6,343
	99TH	4,839	4,797	4,686	4,676	4,724	5,058	5,131	5,057	5,260	5,471	5,559	5,893	5,977	5,967	6,138	6,596
DOLLAR GAPS:	90TH TO 10TH	851	880	922	810	804	838	811	804	817	897	653	745	834	826	811	974
	95TH TO 5TH	1,131	1,074	1,074	959	957	1,033	1,108	1,081	1,065	1,061	882	858	959	989	981	1,234
	99TH TO 1ST	1,789	1,747	1,636	1,526	1,519	1,617	1,581	1,527	1,520	1,507	1,481	1,290	1,366	1,353	1,319	1,539
RATIOS:	90TH TO 10TH	1.279	1.289	1.302	1.257	1.251	1.240	1.226	1.228	1.217	1.223	1.148	1.162	1.179	1.176	1.165	1.187
	95TH TO 5TH	1.371	1.352	1.352	1.304	1.299	1.298	1.310	1.306	1.285	1.268	1.205	1.186	1.208	1.214	1.202	1.242
	99TH TO 1ST	1.587	1.573	1.536	1.484	1.474	1.470	1.445	1.433	1.406	1.380	1.363	1.280	1.296	1.293	1.274	1.304

of adjusted general revenue to 1.254. The increases in the ratio of the 95th percentile to the 5th percentile of adjusted general revenue for FY 2006 and FY 2007 are attributable to the increase in the referendum allowance limit from 18.6 percent to 26 percent of the general education formula allowance enacted by the 2005 Legislature, which, together with annual inflationary increases in referendum allowance limits and new referendum elections, have increased the high end of the revenue distribution more rapidly than the low end has been increased through changes in the basic formula and the equity revenue formula. Because the projected ratio of the 95th percentile to the 5th percentile of adjusted general revenue is higher in FY 2008 than in FY 2007 and because FY 2007 will be nearly completed before any potential changes could be enacted, the options prepared for this report were analyzed using the funding formulas in effect for FY 2008 and later, and data as of the November 2006 budget forecast.

Current Equity Revenue Formula

The current equity revenue formula for FY 2006 and later has five components:

- 1) a flat allowance of \$13 per pupil unit for districts whose referendum revenue per pupil unit falls below the regional (metro or nonmetro) 95th percentile,
- 2) a variable amount, ranging up to \$75 per pupil unit on a sliding scale, depending on the gap between the district's referendum revenue per pupil unit and the regional 95th percentile (all districts without any referendum revenue are ineligible for this component of the equity revenue);
- 3) an additional amount for districts with low referendum revenue per pupil unit (below 10% of the state average referendum revenue per pupil unit - estimated at \$67 for FY 2008), equal to the amount by which the district's referendum allowance falls below 10% of the state average, but not to exceed \$100,000 per district;
- 4) an additional amount for districts in the 7 county metro area, equal to 25% of the amount computed for the three components above; and
- 5) a flat allowance of \$46 per pupil unit for districts whose referendum revenue per pupil unit falls below the regional 95th percentile or \$23 per pupil unit for districts whose referendum revenue per pupil unit falls at or above the regional 95th percentile.

Minneapolis, Saint Paul and Duluth are ineligible for the first four components of equity revenue, but are eligible for the fifth component. School districts with no referendum revenue are ineligible for the sliding scale component of equity revenue (#2 above), but are eligible for the other four components. The exclusion of Minneapolis, Saint Paul and Duluth from receiving the first four components of equity revenue does not contribute to the gap between the 95th and 5th percentiles of adjusted general revenue, because all three districts have moderate referendum revenue allowances, falling in between the 95th and 5th percentiles. The exclusion of districts with no referendum revenue from receiving the sliding scale component of equity revenue directly does contribute to the gap between the 95th and 5th percentiles of adjusted general revenue, and has also stimulated several districts to hold referendum elections seeking a \$1 per pupil unit referendum allowance in order to qualify for an additional \$75 per pupil unit of equity revenue.

Options to Limit Revenue Disparities

The simplest and most cost-effective method of reducing the disparity among districts in adjusted general revenue, without reducing revenue for districts at the 95th percentile or above, is to adjust the equity revenue formula to target additional funds to the lowest revenue districts.

Six options for modifying the equity revenue formula were considered. All six options would begin by targeting additional revenue to the districts with the lowest adjusted general revenue per pupil unit by allowing districts with no referendum authority to receive the sliding scale revenue. However, because that would not be sufficient to reduce the disparity ratio to the FY 2006 level, further changes would be needed to target additional revenue to low revenue districts. Three approaches were considered to do this:

1. increasing the referendum allowance used to drive the low referendum revenue component while leaving the sliding scale component essentially unchanged;
2. increasing the maximum allowance for the sliding scale component while leaving the referendum allowance used to drive the low referendum revenue component essentially unchanged; and
3. increasing the maximum allowance for the sliding scale component and eliminating the low referendum revenue component.

Two variations were simulated for each of these three approaches. The first variation would retain most of the current equity formula structure, including the references to the 5th and 95th percentiles of referendum authority per Adjusted Marginal Cost Pupil Unit (AMCPU), the calculation of the low referendum component based on a percent of state average referendum authority per RMCPU, and the "per AMCPU" basis for calculating sliding scale and flat grant revenues. of the equity formula, and adjust the formula parameters and eligibility for revenue.

The second variation would restructure the formula to make the calculations simpler and more predictable by making the following changes:

- Sliding scale and flat grant revenues are based on referendum authority per RMCPU rather than referendum authority per AMCPU.
- The 5th percentile of referendum revenue per AMCPU is replaced with zero.
- The 95th percentile of referendum revenue per AMCPU is replaced with 29% of the basic formula allowance, without regard to region.
- The low referendum basis is changed from 10% of state average referendum authority per RMCPU to a percent of the basic formula allowance.

In addition, all of the options considered would:

- calculate low referendum revenue before sliding scale revenue to eliminate a quirk in the current formula that causes referendum plus equity revenue per pupil to decrease slightly as referendum authority increases from \$1 to about \$60 per pupil unit,
- eliminate the \$100,000 cap on low referendum revenue, and
- provide hold harmless revenue to districts that would otherwise receive less than they do under current law.

Options Summary

In summary, all options considered would:

- eliminate the penalty for having no referendum authority,
- calculate low referendum revenue before sliding scale revenue,
- eliminate the \$100,000 cap on low referendum revenue, and
- provide hold harmless revenue to districts that would otherwise receive less than they do under current law.

Options 1.1 to 1.3 retain the current-law references to the 5th and 95th percentiles of referendum authority per AMCPU, the current-law reference to a percent of state average referendum authority per RMCPU, and the "per AMCPU" basis for calculating sliding scale and flat grant revenues.

Options 2.1 to 2.3 all include these changes from current law:

- sliding scale and flat grant revenues are based on referendum authority per RMCPU rather than referendum authority per AMCPU.
- the 5th percentile of referendum revenue per AMCPU is replaced with zero
- the 95th percentile of referendum revenue per AMCPU is replaced with 29% of the basic formula allowance, without regard to region.
- the low referendum basis is changed from 10% of state average referendum authority per RMCPU to a percent of the basic formula allowance.

The additional changes from current law for each option are as follows:

Option 1.1--The low referendum guarantee is increased from 10% of the state average referendum allowance to \$241 per RMCPU.

Option 1.2 --The low referendum guarantee is left at 10% of the state average referendum allowance, but maximum sliding scale revenue per AMCPU is increased from \$75 to \$259.

Option 1.3--The low referendum guarantee is eliminated, and maximum sliding scale revenue per AMCPU is increased from \$75 to \$319.

Option 2.1--The low referendum guarantee is set at 4.3% of the basic formula allowance.

Option 2.2--The low referendum guarantee is set at 1.5% of the basic formula allowance, and maximum sliding scale revenue per AMCPU is increased from \$75 to \$213.

Option 2.3--The low referendum guarantee is eliminated, and maximum sliding scale revenue per AMCPU is increased from \$75 to \$280.

Summary Statistics and District By District Impacts

The table below shows the FY 2008 statewide impact of each of the six options discussed above. The appendix provides a district-by-district spreadsheet showing the FY 2008 current law general education revenue per adjusted marginal cost pupil unit (AMCPU), and the change in general education revenue per AMCPU for each district under each of the six options.

	Current Law	Option 1.1	Option 1.2	Option 1.3	Option 2.1	Option 2.2	Option 2.3
Low Referendum Guarantee	67.46	241.23	67.46	0.00	214.90	74.61	0.00
Maximum Sliding Scale Revenue/AMCPU	75.00	75.00	258.52	318.81	75.00	213.10	279.95
Metro Bottom of Sliding Scale Range	179.18	179.18	179.18	179.18	0.00	0.00	0.00
Metro Top of Sliding Scale Range	1,443.72	1,443.72	1,443.72	1,443.72	1,442.46	1,442.46	1,442.46
Nonmetro Bottom of Sliding Scale Range	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Nonmetro Top of Sliding Scale Range	1,616.35	1,616.35	1,616.35	1,616.35	1,442.46	1,442.46	1,442.46
Disparity Ratio Basis: 5th Percentile	5,115.49	5,337.92	5,348.19	5,351.86	5,303.54	5,309.90	5,313.00
Disparity Ratio Basis: 95th Percentile	6,416.67	6,416.36	6,428.82	6,432.92	6,374.85	6,382.51	6,386.22
Disparity Ratio:	1.254	1.202	1.202	1.202	1.202	1.202	1.202
Equity Revenue	91,270,151	113,880,882	188,319,870	214,640,676	105,274,238	155,538,645	182,073,485
Hold Harmless Revenue	0	69,286	376	3	4,403,495	1,690,804	1,690,089
Equity Revenue Plus Hold Harmless	91,270,151	113,950,169	188,320,246	214,640,679	109,677,733	157,229,448	183,763,574
Revenue Increase Over Current Law	0	22,680,018	97,050,095	123,370,528	18,407,582	65,959,298	92,493,423

All six of the options reduce the disparity ratio to the FY 2006 level of 1.202. The first three options, based on the current formula structure, have higher cost than the last three options because the 95th percentiles are higher than 29% of the formula allowance, especially for the non-metro region. As a result, only 15 districts receive minimum equity revenue under the first 3 options, while 26 districts receive minimum equity revenue under the last 3 options. More districts with minimum equity revenue leads to lower 95th percentile revenue levels for calculating the disparity ratio. There are no “losers” under any option because of the hold-harmless provision.

Note that the first three options use different combinations of a) the low referendum guarantee and b) maximum sliding scale revenue per AMCPU. Comparing these approaches, option 1.1 has the highest low referendum guarantee, the lowest sliding scale revenue, and the lowest revenue increase over current law. Revenue increases under option 1.1 are relatively small because they are concentrated on districts with low referendum revenues. Under options 1.2 and 1.3, more equity revenue goes to districts with moderate levels of referendum revenue.

The same relationships exist when we compare the last three options.

APPENDIX -- OPTIONS FOR GENERAL EDUCATION FORMULA CHANGES TO LIMIT REVENUE DISPARITIES

REPORT TO THE LEGISLATURE
JANUARY 2007

APPENDIX A

		A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	1/12/2007									
										OPTION 1.1	OPTION 1.2	OPTION 1.3	OPTION 2.1	OPTION 2.2	OPTION 2.3	OPTION 1.1	OPTION 1.2	OPTION 1.3	OPTION 2.1	OPTION 2.2	OPTION 2.3	OPTION 1.1	OPTION 1.2	OPTION 1.3	OPTION 2.1	OPTION 2.2	OPTION 2.3				
		CURRENT LAW EQUITY REVENUE	OPTION 1.1 EQUITY PLUS HOLD	OPTION 1.2 EQUITY PLUS HOLD	OPTION 1.3 EQUITY PLUS HOLD	OPTION 2.1 EQUITY PLUS HOLD	OPTION 2.2 EQUITY PLUS HOLD	OPTION 2.3 EQUITY PLUS HOLD	OPTION 1.1 INCREASE FROM CURRENT LAW = C - B	OPTION 1.2 INCREASE FROM CURRENT LAW = D - B	OPTION 1.3 INCREASE FROM CURRENT LAW = E - B	OPTION 2.1 INCREASE FROM CURRENT LAW = F - B	OPTION 2.2 INCREASE FROM CURRENT LAW = G - B	OPTION 2.3 INCREASE FROM CURRENT LAW = H - B	OPTION 1.1 INCREASE /AMPCU = I/A	OPTION 1.2 INCREASE /AMPCU = J/A	OPTION 1.3 INCREASE /AMPCU = K/A	OPTION 2.1 INCREASE /AMPCU = L/A	OPTION 2.2 INCREASE /AMPCU = M/A	OPTION 2.3 INCREASE /AMPCU = N/A											
270	1	HOPKINS	9,185	211,262	211,262	211,262	211,262	211,262	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
271	1	BLOOMINGTON	12,303	1,178,877	1,178,877	2,180,648	2,510,667	1,178,877	0	1,001,772	1,331,791	0	611,727	933,198	0	81	108	0	50	50	76	0	0	0	0	0	0	0	0		
272	1	EDEEN PRAIRIE	11,221	907,597	907,597	1,409,096	1,574,748	907,597	0	501,499	667,151	0	293,340	450,951	0	45	59	0	26	40	76	0	0	0	0	0	0	0	0		
273	1	EDINA	8,834	674,059	674,059	969,328	1,067,167	674,059	0	295,270	393,108	0	0	0	0	33	44	0	0	0	0	0	0	0	0	0	0	0	0	0	
274	1	MINNETONKA	8,832	623,944	623,944	796,393	853,909	623,944	0	172,449	229,965	0	30,204	62,948	0	20	26	0	3	7	0	0	0	0	0	0	0	0	0		
277	1	WESTONKA	2,644	202,188	202,188	291,723	321,398	202,188	0	89,535	119,210	14,958	111,778	158,645	0	34	45	6	42	60	0	0	0	0	0	0	0	0	0		
278	1	ORONO	2,977	248,800	248,800	401,601	452,019	248,800	0	152,801	203,220	0	0	0	0	51	68	0	0	0	0	0	0	0	0	0	0	0	0	0	
279	1	OSSEO	25,195	2,609,368	2,609,368	5,140,964	5,973,962	2,609,368	0	2,531,596	3,364,594	0	1,751,733	2,627,822	0	100	134	0	70	104	52	0	0	0	0	0	0	0	0		
280	1	RICHFIELD	4,697	418,348	418,348	722,760	823,160	418,348	0	304,413	404,812	0	0	0	0	65	86	0	36	56	0	0	0	0	0	0	0	0	0		
281	1	ROBINSDALE	15,323	1,652,104	1,652,104	3,351,776	3,911,076	1,652,104	0	1,699,672	2,258,972	0	983,211	1,510,683	0	111	147	0	64	99	0	0	0	0	0	0	0	0	0		
282	1	ST. ANTHONY-NEW	1,967	208,594	208,594	418,229	487,196	208,594	0	209,636	258,603	0	0	0	0	107	142	0	0	0	0	0	0	0	0	0	0	0	0	0	
283	1	ST. LOUIS PARK	5,003	115,066	115,066	115,066	115,066	115,066	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
284	1	WAYZATA	11,368	769,051	769,051	907,165	953,774	769,051	0	138,114	184,723	0	0	0	0	13	16	0	0	0	0	0	0	0	0	0	0	0	0	0	
284	1	BROOKLYN CENTER	1,849	270,846	270,846	451,686	516,786	270,846	0	380,822	505,940	0	221,796	340,222	0	206	274	0	120	184	0	0	0	0	0	0	0	0	0	0	
294	1	HOUSTON	1,515	181,471	181,500	407,053	481,145	181,471	0	225,522	299,674	0	42,746	85,051	0	149	198	0	28	56	0	0	0	0	0	0	0	0	0	0	
297	1	SPRING GROVE	380	26,209	26,275	35,667	38,755	26,209	0	26,454	35,667	0	9,458	12,546	0	25	33	0	0	1	0	0	0	0	0	0	0	0	0	0	
299	1	CALEDONIA	961	94,830	94,921	188,390	219,104	94,830	0	93,560	124,274	0	63,645	95,566	0	97	129	0	66	99	0	0	0	0	0	0	0	0	0	0	
300	1	LACRESCENT	1,631	175,862	175,980	371,137	435,244	175,862	0	304,966	370,451	118	195,275	259,382	0	120	159	0	79	119	0	0	0	0	0	0	0	0	0	0	
306	1	LAPORTE	696	29,168	107,723	110,727	111,798	73,646	0	90,206	100,299	78,555	81,558	82,630	44,478	61,037	71,130	265	276	279	150	206	240	0	0	0	0	0	0	0	
308	1	NEVIS	213	79,993	147,078	187,253	222,487	107,549	0	155,339	192,724	67,085	107,260	142,944	27,556	75,346	112,731	109	175	232	45	123	184	0	0	0	0	0	0	0	
309	1	PARK RAPIDS	1,904	207,484	207,616	440,710	517,279	207,484	0	349,346	423,693	132	233,226	309,795	0	141,862	216,209	0	122	163	0	74	114	0	0	0	0	0	0	0	
314	1	ABRAHAM	1,027	123,182	123,223	276,499	326,852	123,182	0	153,317	203,670	0	111,151	165,657	0	149	198	0	108	141	0	0	0	0	0	0	0	0	0	0	
316	1	GREENWAY	1,413	125,596	125,765	229,562	263,664	125,596	0	198,422	234,522	169	103,967	138,068	0	72,826	108,926	0	74	98	0	52	77	0	0	0	0	0	0	0	
317	1	DEER RIVER	1,090	138,061	138,061	407,732	471,677	138,061	0	369,613	441,613	369,613	269,613	330,613	230,613	237	281	212	212	212	212	212	212	212	212	212	212	212	212	212	
318	1	GRAND RAPIDS	4,219	348,938	348,938	1,535,987	1,578,812	348,938	0	1,434,177	1,419,559	1,430,125	1,187,049	1,229,874	1,245,148	1,085,239	1,070,621	1,081,187	281	291	295	257	254	258	0	0	0	0	0	0	
319	1	NASHWAUK-KEEWA	693	88,925	171,014	206,457	245,068	176,639	0	171,014	219,247	82,089	117,532	156,143	0	87,735	130,322	118	170	225	98	127	156	186	0	0	0	0	0	0	
323	2	FRANCONIA	38	864	864	864	864	2,299	2,452	2,526	0	1,435	1,588	1,662	0	0	0	38	42	44	0	0	0	0	0	0	0	0	0		
330	1	HERON LAKE-OKAB	331	29,916	29,955	55,482	63,886	29,916	0	36,886	42,334	39	25,566	33,950	0	77	103	0	21	38	0	0	0	0	0	0	0	0	0		
332	1	MORA	2,215	284,634	527,595	661,481	785,268	455,595	0	561,359	696,465	242,961	376,847	500,634	170,961	276,725	411,831	110	170	226	77	125	186	0	0	0	0	0	0	0	
333	1	COOLIE	735	104,060	267,290	275,194	283,595	267,290	0	275,194	283,595	275,194	283,595	291,995	291,995	291,995	291,995	291,995	291,995	291,995	291,995	291,995	291,995	291,995	291,995	291,995	291,995	291,995	291,995	291,995	291,995
345	1	NEW LONDON-SPIC	1,831	213,913	213,989	473,357	558,568	213,913	0	390,491	479,109	76	259,444	344,655	0	142	188	0	142	188	0	0	0	0	0	0	0	0	0	0	0
347	1	WILLMAR	4,607	510,436	510,733	1,095,355	1,287,450	510,436	0	914,206	1,115,734	297	584,919	777,014	0	403,770	605,298	0	127	169	0	88	131	0	0	0	0	0	0	0	
356	1	LANCASTER	219	17,480	17,513	28,739	32,428	17,480	0	17,480	17,480	33	11,259	14,948	0	51	68	0	0	0	0	0	0	0	0	0	0	0	0	0	
361	1	INTERNATIONAL FA	1,401	144,804	144,914	297,239	347,286	144,804	0	263,771	320,585	110	152,435	202,482	1,600	118,967	175,781	0	109	145	11	85	125	0	0	0	0	0	0	0	
362	1	LITTLEFORK-BIG F	397	74,214	144,127	148,165	149,923	116,450	0	126,939	134,483	69,913	73,951	75,709	42,235	52,725	60,269	176	186	191	106	133	152	0	0	0	0	0	0	0	
363	1	SOUTH KOOCHICHI	408	69,588	148,204	152,368	154,185	97,350	0	122,822	138,286	78,846	83,010	84,827	27,992	53,464	68,928	193	203	208	69	131	169	0	0	0	0	0	0	0	
371	1	BELLINGHAM	137	8,291	8,317	8,865	9,046	8,291	0	8,291	8,291	26	574	755	0	4	6	0	0	0	0	0	0	0	0	0	0	0	0	0	
378	1	DAWSON	603	61,258	61,310	124,243	144,915	61,258	0	96,714	115,889	52	62,985	83,657	0	35,456	54,631	0	104	139	0	5									

APPENDIX -- OPTIONS FOR GENERAL EDUCATION FORMULA CHANGES TO LIMIT REVENUE DISPARITIES

REPORT TO THE LEGISLATURE
JANUARY 2007

		A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	1/12/2007	T	
		CURRENT LAW EQUITY PLUS HOLD		OPTION 1.1 EQUITY PLUS HOLD	OPTION 1.2 EQUITY PLUS HOLD	OPTION 1.3 EQUITY PLUS HOLD	OPTION 2.1 EQUITY PLUS HOLD	OPTION 2.2 EQUITY PLUS HOLD	OPTION 2.3 EQUITY PLUS HOLD	OPTION 1.1 INCREASE FROM CURRENT LAW = C - B	OPTION 1.2 INCREASE FROM CURRENT LAW = D - B	OPTION 1.3 INCREASE FROM CURRENT LAW = E - B	OPTION 2.1 INCREASE FROM CURRENT LAW = F - B	OPTION 2.2 INCREASE FROM CURRENT LAW = G - B	OPTION 2.3 INCREASE FROM CURRENT LAW = H - B	OPTION 1.1 INCREASE /AMCPU = I/A	OPTION 1.2 INCREASE /AMCPU = J/A	OPTION 1.3 INCREASE /AMCPU = K/A	OPTION 2.1 INCREASE /AMCPU = L/A	OPTION 2.2 INCREASE /AMCPU = M/A	OPTION 2.3 INCREASE /AMCPU = N/A		
		AMCPU	REVENUE	HARMLESS	HARMLESS	HARMLESS	HARMLESS	HARMLESS	HARMLESS														
821	1	MENAHGA	897	100,875	326,489	335,592	338,839	262,940	287,191	303,987	225,614	234,717	237,964	162,065	186,316	203,112	252	262	265	181	208	226	
829	1	WASECA	2,177	232,508	232,669	487,756	571,552	232,508	396,087	480,056	161	255,248	339,044	0	163,579	247,548	0	117	156	0	75	114	
831	1	FOREST LAKE	8,538	963,448	963,448	2,016,069	2,362,272	963,448	1,662,641	2,017,492	0	1,052,621	1,398,624	0	699,193	1,054,044	0	123	164	0	82	123	
832	1	MAHOMETI	3,545	340,552	340,552	631,262	727,033	340,552	444,788	515,084	0	290,711	386,481	0	144,236	174,533	0	82	109	0	29	49	
833	1	SOUTH WASHINGTON	19,365	1,908,099	1,908,099	3,614,151	4,175,723	1,908,099	3,040,001	3,615,506	0	1,706,052	2,267,624	0	1,130,902	1,707,407	0	88	117	0	58	88	
834	1	STILLWATER	10,382	1,122,487	1,122,487	2,281,748	2,663,164	1,122,487	1,842,887	2,218,262	0	1,159,261	1,540,677	0	720,400	1,095,714	0	112	148	0	69	106	
836	1	BUTTERFIELD	229	16,906	16,942	25,272	28,007	16,906	18,481	20,031	36	8,366	11,101	0	1,575	3,125	0	76	48	0	36	74	
837	1	MADEIRA	646	65,574	65,630	132,888	154,985	65,574	109,051	131,295	56	67,314	89,411	0	43,477	65,721	0	104	138	0	67	102	
840	1	ST. JAMES	1,427	153,437	153,538	323,203	378,944	153,437	268,303	326,058	101	169,766	225,507	0	114,866	172,621	0	119	158	0	80	121	
846	1	BRECKENRIDGE	988	125,001	389,835	369,868	373,446	333,826	331,810	335,035	234,835	244,867	248,445	208,825	206,810	210,034	238	248	251	211	209	212	
850	1	ROTHSAY	234	5,375	5,375	5,375	5,375	5,375	5,375	5,375	0	0	0	0	0	0	0	0	0	0	0	0	
852	1	CAMPBELL-TINTAH	154	3,553	3,553	3,553	3,553	3,553	3,553	3,553	0	0	0	0	0	0	0	0	0	0	0	0	
857	1	LEWISTON	880	86,287	86,372	170,614	198,292	86,287	166,372	198,292	85	84,327	112,005	0	47,044	72,579	0	94	127	0	53	82	
858	1	ST. CHARLES	1,179	149,027	149,027	429,043	441,005	149,027	398,031	399,473	280,001	291,964	296,230	248,989	246,586	250,431	238	248	251	211	209	212	
861	1	WINONA	4,114	94,616	243,532	245,507	246,165	94,616	94,616	94,616	148,916	150,891	151,549	0	0	0	0	36	37	0	0	0	
876	1	ANNANDALE	2,096	218,510	218,684	451,100	527,453	218,510	369,134	446,129	174	232,590	308,943	0	150,624	227,619	0	111	147	0	72	109	
877	1	BUFFALO	6,543	724,053	724,429	1,552,506	1,824,519	724,053	1,306,811	1,595,651	376	828,453	1,100,466	0	582,758	871,598	0	127	168	0	89	133	
879	1	DELANO	2,506	287,632	287,765	630,066	742,521	287,632	523,898	641,860	133	342,434	454,889	0	236,266	354,228	0	137	182	0	94	141	
881	1	MAPLE LAKE	1,116	118,168	118,246	246,523	288,664	118,168	188,311	226,734	78	128,355	170,496	0	70,143	108,566	0	115	153	0	63	97	
882	1	MONTICELLO	4,627	576,324	716,816	1,318,975	1,562,865	592,895	1,115,857	1,380,266	140,492	742,651	986,541	16,571	539,533	803,942	30	161	213	4	117	174	
883	1	ROCKFORD	1,863	348,519	654,380	673,235	699,076	614,996	604,531	626,876	305,861	324,716	350,557	266,477	256,012	278,257	164	174	188	143	137	149	
885	1	ST. MICHAEL-ALBE	5,436	603,035	603,356	1,294,941	1,522,171	603,035	1,065,533	1,299,244	321	691,906	919,136	0	462,548	696,209	0	127	169	0	85	128	
891	1	CANBY	647	71,036	71,076	151,556	177,997	71,036	128,284	156,548	40	80,520	106,961	0	57,248	85,512	0	124	165	0	88	132	
911	1	CAMBRIDGE-ISANTI	6,186	799,770	1,582,221	1,863,885	2,213,476	1,582,221	1,374,127	1,584,044	1,966,462	782,451	1,064,115	1,413,706	574,357	784,274	1,166,692	126	172	229	93	127	189
912	1	MILACA	2,131	385,402	773,465	795,091	804,551	725,367	715,797	721,759	388,063	409,689	419,149	339,965	330,395	336,357	182	192	197	160	155	158	
914	1	ULEN-HITFERDAL	330	7,585	7,585	7,585	7,585	7,585	7,585	7,585	0	0	0	0	0	0	0	0	0	0	0	0	
2071	1	LAKE CRYSTAL-WE	913	87,925	88,018	171,543	198,986	92,194	162,740	196,889	93	83,618	111,061	4,269	74,815	108,964	0	92	122	5	82	119	
2125	1	TRIRON	1,271	144,869	144,932	316,098	372,327	144,869	270,677	332,065	63	171,229	227,458	0	125,808	187,196	0	135	179	0	99	147	
2134	1	UNITED SOUTH CEN	964	95,196	95,284	189,217	220,069	97,019	170,891	206,650	88	94,021	124,873	1,823	75,695	111,454	0	97	129	2	78	116	
2135	1	MAPLE RIVER	1,405	135,462	135,462	264,587	306,959	135,462	233,780	283,780	135	129,105	171,371	0	62,272	88,298	0	94	127	0	44	70	
2137	1	KINGSLAND	877	103,815	103,848	231,357	273,249	103,815	199,444	246,042	33	127,642	169,434	0	95,629	142,227	0	145	193	0	109	162	
2142	1	ST. LOUIS COUNTY	2,454	311,494	579,943	720,335	854,543	557,436	621,719	771,343	268,249	408,641	542,849	245,742	310,025	459,649	109	167	221	100	126	187	
2143	1	WATERVILLE-ELYS	1,125	125,993	125,973	271,771	319,649	125,993	230,205	281,465	70	145,868	193,766	0	104,200	155,562	0	130	172	0	93	138	
2144	1	CHISAGO LAKES AR	3,991	458,676	458,858	1,005,520	1,185,120	458,676	848,658	1,041,015	182	546,844	726,444	0	389,982	582,339	0	137	182	0	98	146	
2149	1	MINNEWASKA	1,404	142,931	143,051	290,397	338,792	142,931	251,474	304,377	120	147,466	195,861	0	108,543	161,446	0	107	145	0	77	115	
2154	1	EVELETH-GILBERT	1,464	171,764	171,830	380,918	449,624	171,764	318,778	391,683	66	209,154	277,860	0	147,014	219,919	0	143	190	0	100	150	
2155	1	WADENA-DEER CRR	1,266	163,534	332,666	380,946	452,372	303,780	326,604	404,314	169,132	217,412	288,838	104,246	162,072	240,780	134	172	111	128	180	90	
2159	1	BUFFALO LAKE-HEC	610	54,573	54,642	100,245	115,222	54,573	85,889	101,536	69	45,672	60,649	0	31,016	46,963	0	75	99	0	51	77	
2164	1	DILWORTH-GLYNDC	1,519	176,396	552,849	568,264	573,761	463,023	492,479	514,746	376,453	391,868	397,365	286,627	316,083	338,550	248	258	267	189	208	223	
2165	1	HINCKLEY-FINLAYS	1,218	156,045	289,648	362,105	429,789	257,792	308,701	382,998	133,603	206,060	273,744	101,747	152,656	226,953	110	169	225	84	125	186	
2167	1	LAKEVIEW	670	75,238	75,274	162,773	191,515	75,238	132,780	162,036	36	87,535	116,277	0	57,542	86,798	0	131	174	0	86	130	
2168	1	NRHEG	1,140	144,686	144,962	426,532	430,658	386,676	383,237	386,362	270,276	281,846	285,972	241,990	238,551	241,677	237	247	251	212	209	212	
2169	1	MURRAY COUNTY	839	59,266	84,437	92,705	95,129	59,266	68,051	74,034	137	25,308	33,576	0	8,922	14,905	0	30	40	0	11	18	
2170	1	STAPLES-MOTLEY	1,630	178,534	178,637	380,465	446,780	181,102	337,517	413,232	103	201,931	268,246	2,568	158,983	234,698	0	124	165	2	98	144	
2171	1	KRITSON CENTRAL	1,650	8,393	8,393	8,393	8,393	8,393	8,393	8,393	0	0	0	0	0	0	0	0	0	0	0	0	
2172	1	KENOWAN-MANAMN	953	128,234	128,234	310,234	352,411	128,234	224,411	274,012	0	102,894	189,810	0	102,894	153,588	0	136	180	0	86	146	
2174	1	RINE RIVER-BACKU	1,171	238,231	425,136	437,023	442,222	405,743	395,689	396,726	186,905	198,792	203,991	167,512	157,638	158,495	160	170	174	143	135	135	
2176	1	WARREN ALVARAD	553	12,719	12,719	33,848	36,096	12,719	37,184	0	0	0	0	0	0	0	0	38	42	0	44	0	
2180	1	MACCRAY	860	84,890	84,968	168,715	196,230	84,890	136,060	162,824	78	83,825	111,340	0	51,170	77,934	0	97	129	0	59	91	
2184	1	LUVERNE	1,426	121,260	121,449	212,739	242,741	121,260	155,007	185,551	189	91,479	121,481	0	34,747	57,295	0	64	85	0	24	40	
2190	1	YELLOW MEDICINE	1,193	93,766	93,942	151,584	170,528	97,818	148,336	172,790	176	57,818	76,762	4,052	54,570	79,024	0	48	64	3	46	66	
2198	1	FILMORE CENTRAL	699	61,368																			

