

Financial Implications of Open Enrolled Students Rushford-Peterson, ISD 239

Open enrolled students create financial implications for school districts, including both operating revenue and debt service aid. In order to summarize these implications, we analyzed the data in the Pay 2018 levy certification and FY 2018 student data. The following information was used:

- FY 2018 Pupils Open Enrolling In = 64.64
- Pay 2018 (for FY 2019) aid on the levy certification = 68%
- FY 2019 Basic General Education Formula Allowance = \$6,312
- FY 2019 Other Categorical General Education Amount = \$2,160
- Debt levy equalization ratios
 - Current: 68% aid and 32% levy
 - Without the 64 APU: 64% aid and 36% levy
- General Education Revenue equalization ratio: 90% aid and 10% levy

Debt service aid for the new school building is based on an adjusted tax value per pupil. If the district has more pupils (from open enrollment or growing enrollment), the value per pupil goes down, and makes the district seem more “property poor.” This reduction in value results in additional state aid for the district.

Description	Current	Without Open Enrolled Students	Estimated Change
General Education Revenue			
Basic General Ed Revenue	\$4,476,470	\$4,072,502	\$403,968
Other Categorical Gen Ed Rev	1,531,872	1,393,632	\$138,240
Revenue	6,008,342	5,466,134	\$542,208
Aid Portion			\$487,987
Debt Service Aid			
Debt Equalization Aid	1,444,904	1,369,309	-\$75,595

In summary, the additional 64 students open enrolling into the district, result in general education revenue that is approximately \$542,000 higher. Of that amount, \$488,000 is State Aid. The 64 students generate approximately \$75,595 of additional debt service aid, which results in an equal reduction in the debt service levy for local taxpayers.