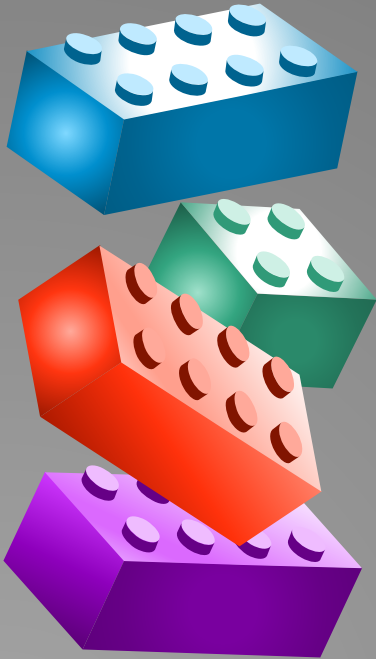




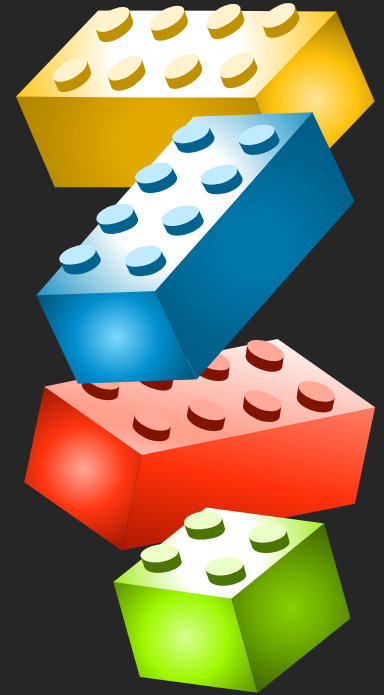
# How the state school funding system operates: The Amherst-Pelham Regional edition

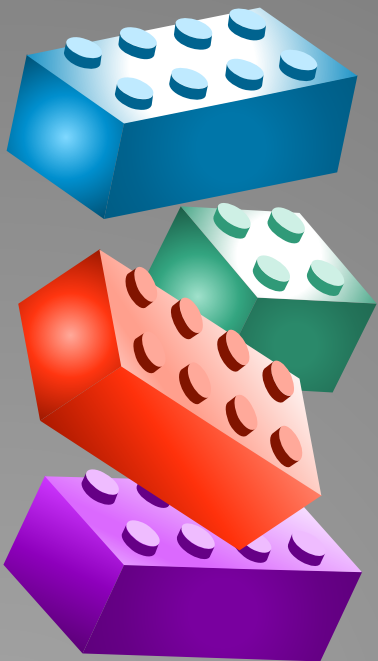
Amherst, Massachusetts  
August 27, 2024

Tracy Novick  
MASC Field Director



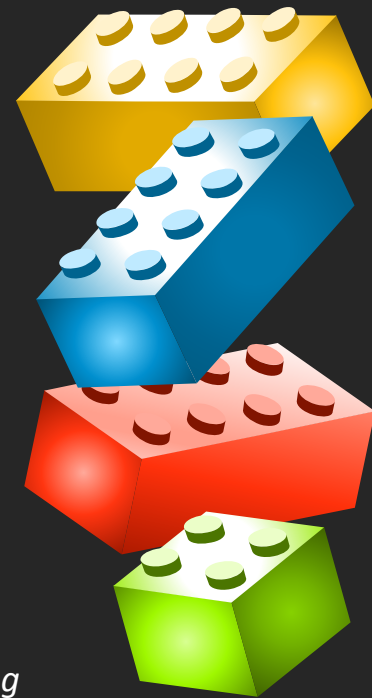
Wisdom, and knowledge, as well as virtue, diffused generally among the body of the people, being necessary for the preservation of their rights and liberties; and as these depend on spreading the opportunities and advantages of education in the various parts of the country, and among the different orders of the people, it shall be the duty of legislatures and magistrates, in all future periods of this commonwealth, to cherish the interests of literature and the sciences, and all seminaries of them; especially the university at Cambridge, public schools and grammar schools in the towns; to encourage private societies and public institutions, rewards and immunities, for the promotion of agriculture, arts, sciences, commerce, trades, manufactures, and a natural history of the country; to countenance and inculcate the principles of humanity and general benevolence, public and private charity, industry and frugality, honesty and punctuality in their dealings; sincerity, good humor, and all social affections, and generous sentiments among the people.



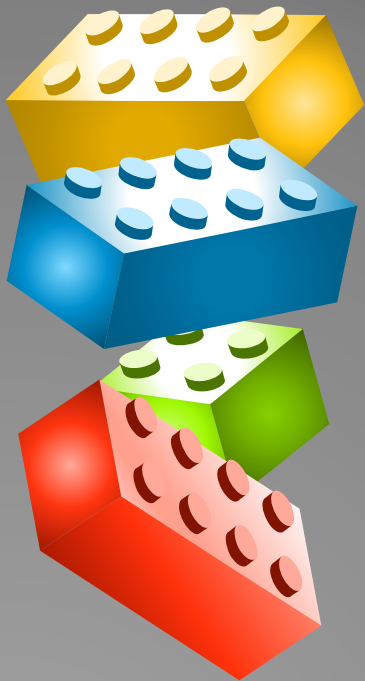


“No other state pursued so long and so completely the policy of placing almost the entire burden of school support upon the local communities”

Fletcher Swift, writing of Massachusetts in *Studies in Public School Finance* as cited by Matthew Gardner Kelly in *Dividing the Public: School Finance and the Creation of Structural Inequity* (2023)



masc

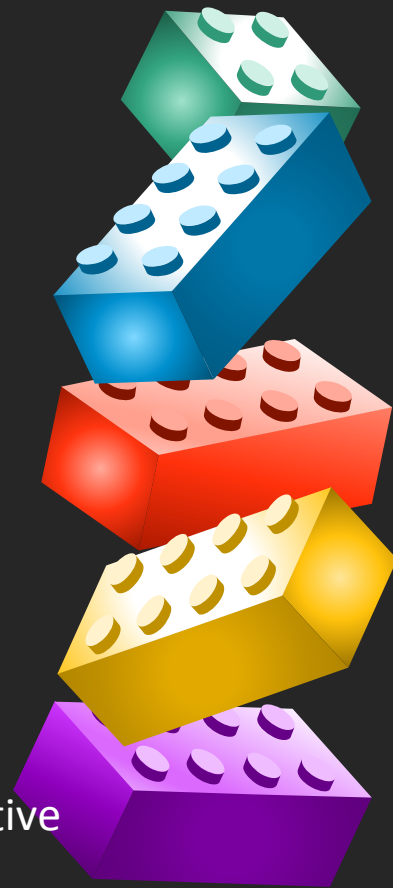


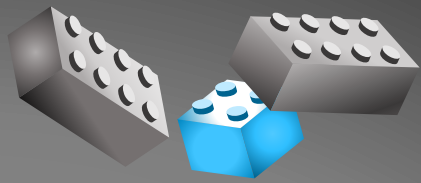
“In this light, we have considered the proper meaning of the words "duty" and "cherish" found in c. 5, Section 2.

What emerges from this review is that the words are not merely aspirational or hortatory, but obligatory.

What emerges also is that the Commonwealth has a duty to provide an education for all its children, rich and poor, in every city and town of the Commonwealth at the public school level, and that this duty is designed not only to serve the interests of the children, but, more fundamentally, to prepare them to participate as free citizens of a free State to meet the needs and interests of a republican government, namely the Commonwealth of Massachusetts.”

McDuffy v Secretary of State Executive  
Office of Education  
1993

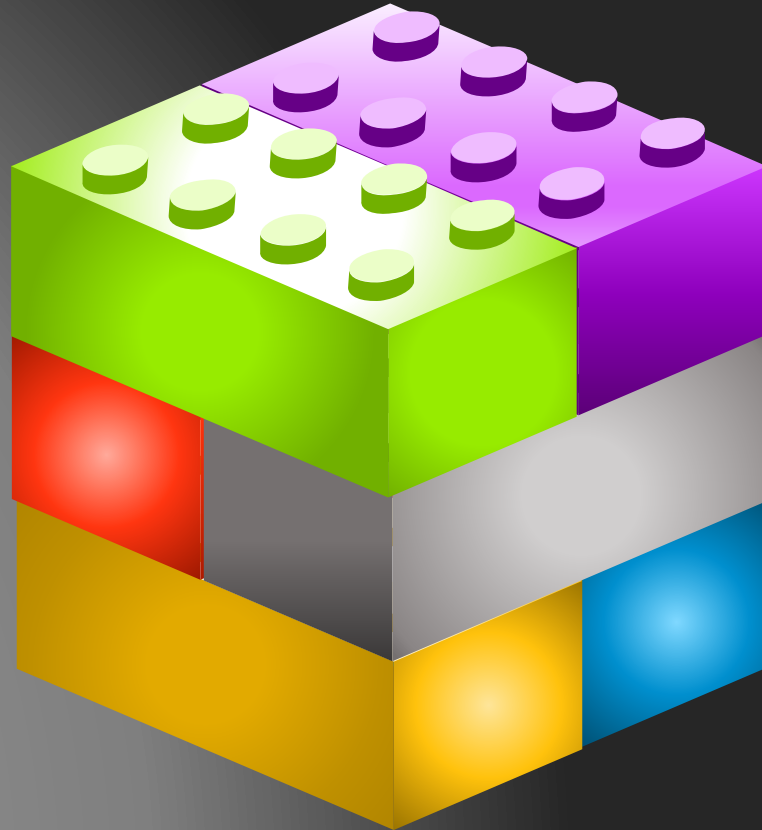




# *Mass General Law Chapter 70*

## Massachusetts General Law Chapter 70, section 1

“It is the intention of the general court, subject to appropriation, to assure fair and adequate minimum per student funding for public schools in the commonwealth by defining a **foundation budget** and a **standard of local funding effort** applicable to every city and town in the commonwealth.”



# The state has a big new school funding law. Here's what it means

By

MASS LIVE

NEWS

## Gov. Charlie Baker signs \$1.5 billion education funding bill into law

Updated: Nov. 26, 2019, 2:07 p.m. | Published: Nov. 26, 2019, 1:59 p.m.



CommonWealth  
BEACON

POLITICS, IDEAS, AND CIVIC LIFE IN MASSACHUSETTS

DONATE



NEWS ▾ OPINION IN DEPTH BY THE NUMBERS THE COCAST MEMBERSHIP ABOUT ▾

EDUCATION

### On target: ed reform money reaching poorer districts

*New state aid flowing to needier systems, as intended, while 141 districts see only minimum increase*

by SHIRA SCHOENBERG  
October 30, 2022



Dallializ, a kindergartener at the Kelly School in Holyoke, asks a question to an Enchanted Circle artist. (Photo by Sarah Betancourt)

## Student Opportunity Act

- FY25 is Year four of a six year implementation
- Within the foundation budget, this includes:
  - A (continued) separate inflation rate for health insurance
  - An increase in the in-district special education percentage
  - An increase in the dollar amount per pupil for English learners
  - An increase in the dollar amount per pupil for low income students

# Massachusetts voters approve 'millionaires tax' ballot question

November 09, 2022

By [Yasmin Amer](#)



## 'Millionaires tax' has already generated \$1.8 billion this year for Massachusetts, blowing past projections

By [Matt Stout](#) Globe Staff, Updated May 20, 2024, 7:14 p.m.



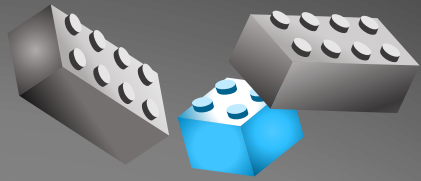
## Fair Share Amendment

- a 4 percent tax on the portion of a person's annual income above \$1 million
- the funds raised are dedicated to public education and transportation through Legislative action

### In FY25, this funding includes:

- \$74/per pupil additional minimum aid
- Free lunch reimbursement for schools
- Free community college
- Funding for regional transit authorities
- Funding for early child care

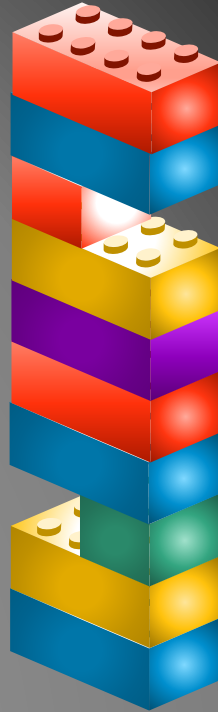
# What is needed to educate a child?



Building  
the base

foundation  
rate

What it takes to educate a child comes together to create the base foundation rate for each child in Massachusetts. These functional areas together build the base foundation rate by grade.



Administration

Instructional Leadership

Classroom & Specialist Teachers

Other Teaching Services

Professional Development

Instructional Materials, Equipment, & Technology

Guidance & Psychological Services

Pupil Services

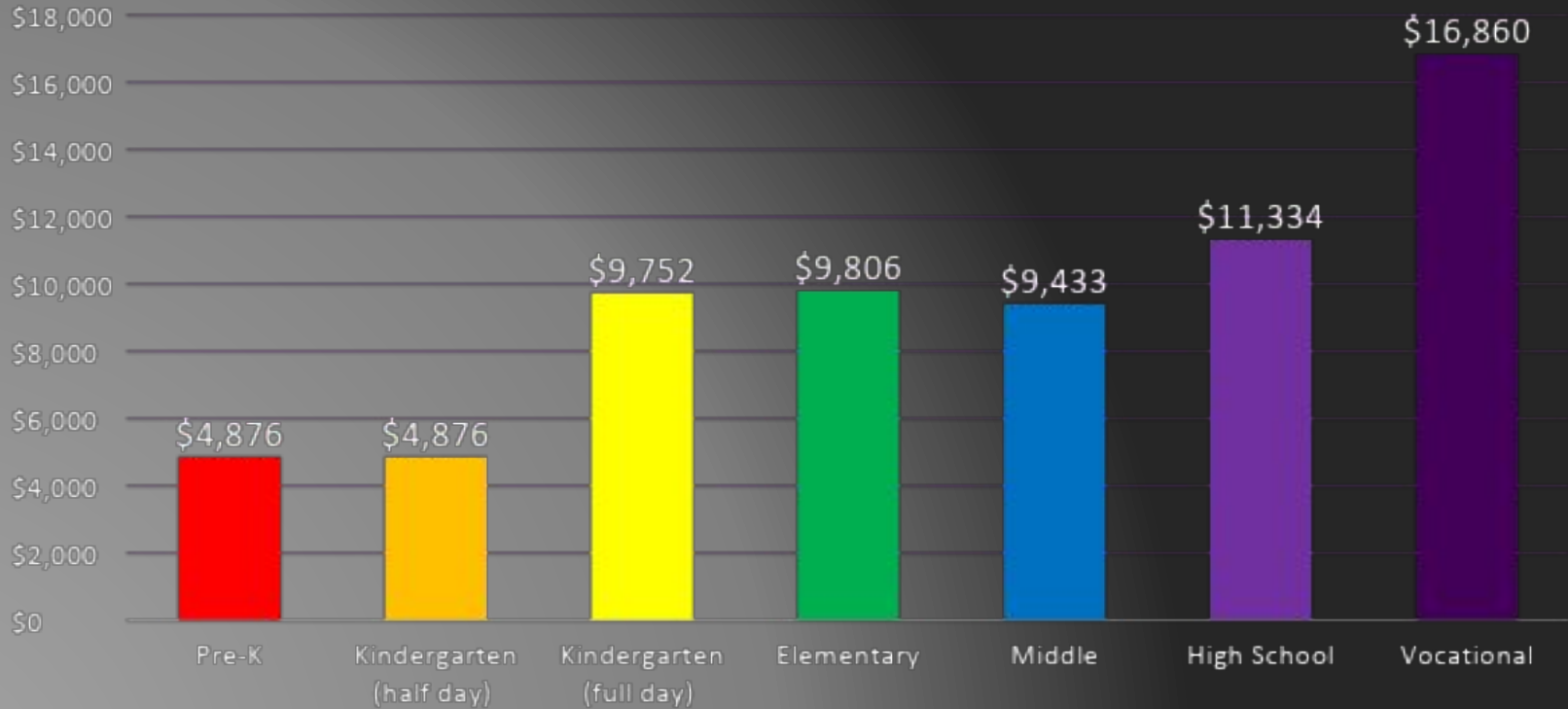
Operations & Maintenance

Employee Benefits/Fixed Charges

Special Education Tuition

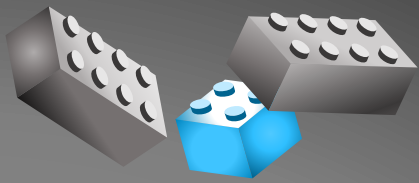


# Foundation budget rates: FY25



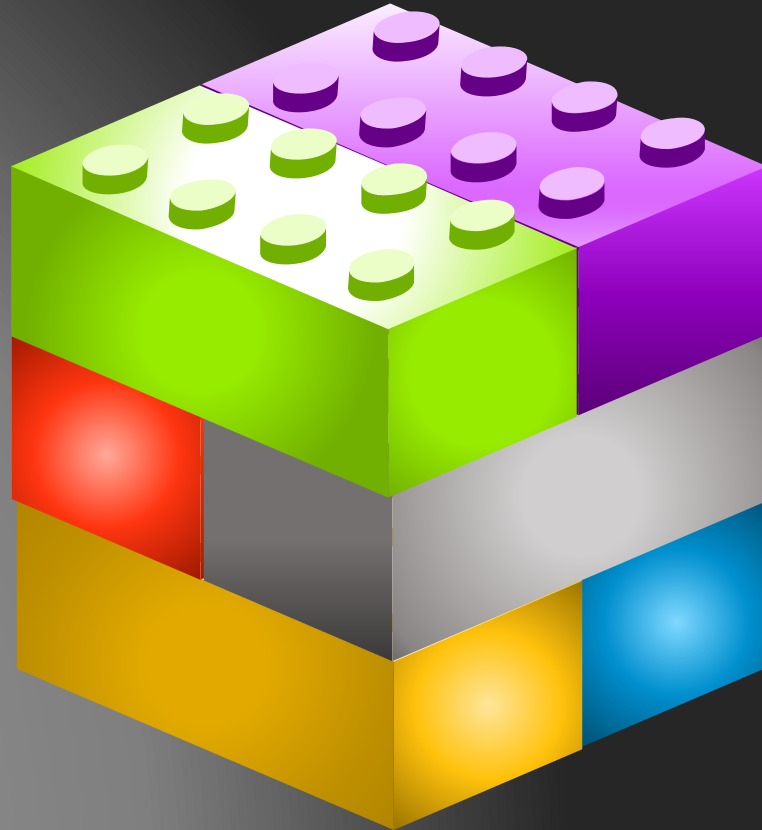
Note this represents the fourth year of SOA phase in.

# *Increments above foundation*



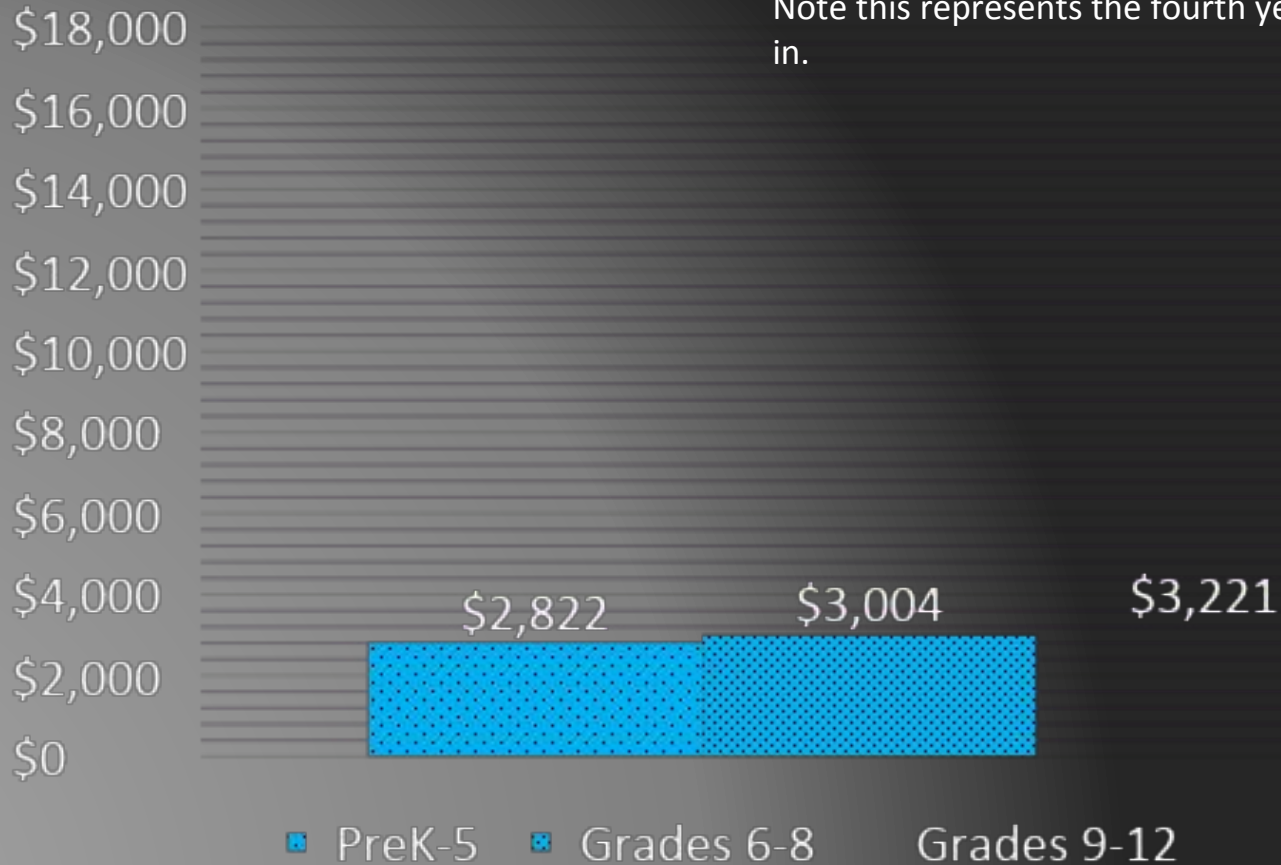
To this base foundation amount,  
the state adds an increment:

- For English learners
- For low income students



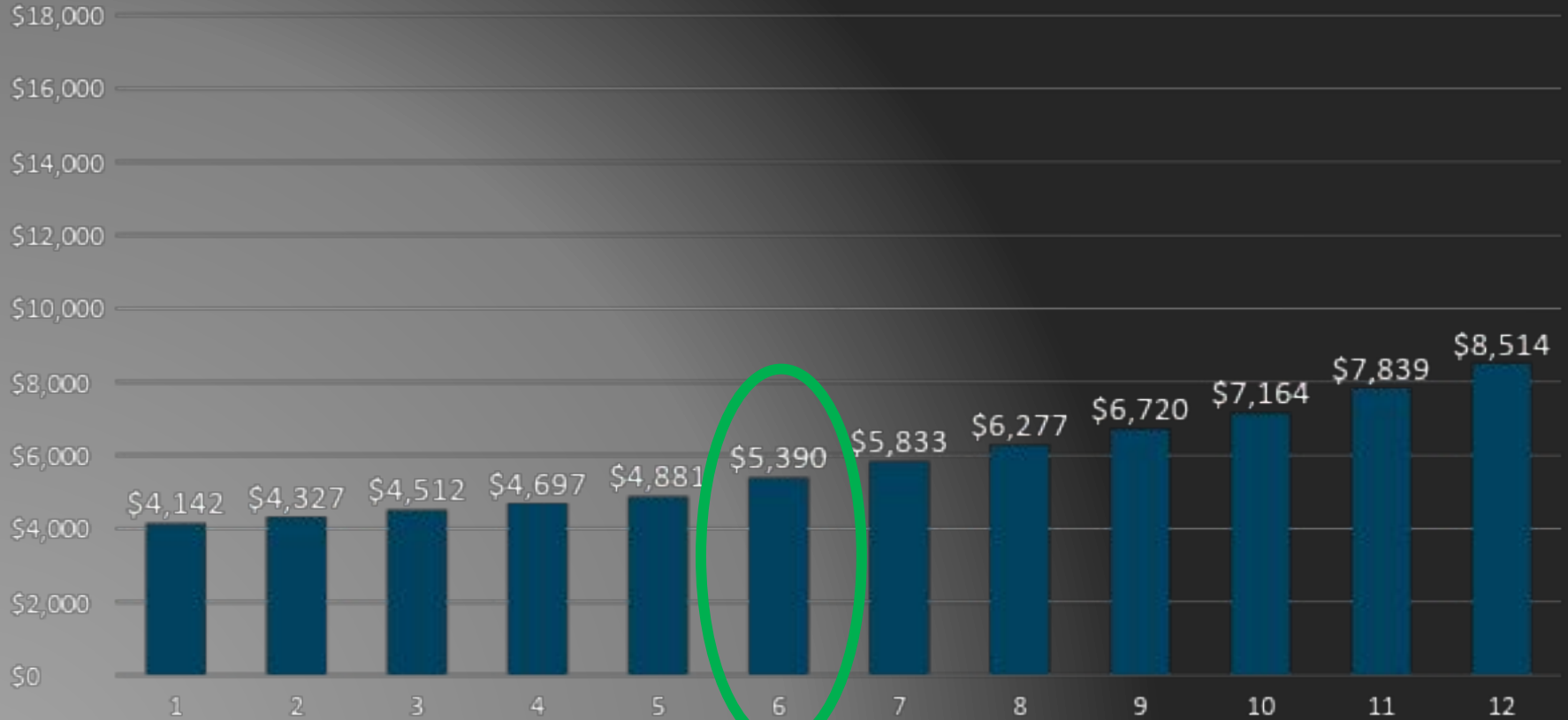
# English learners increment: FY25

Note this represents the fourth year of SOA phase in.



# Low income: FY25

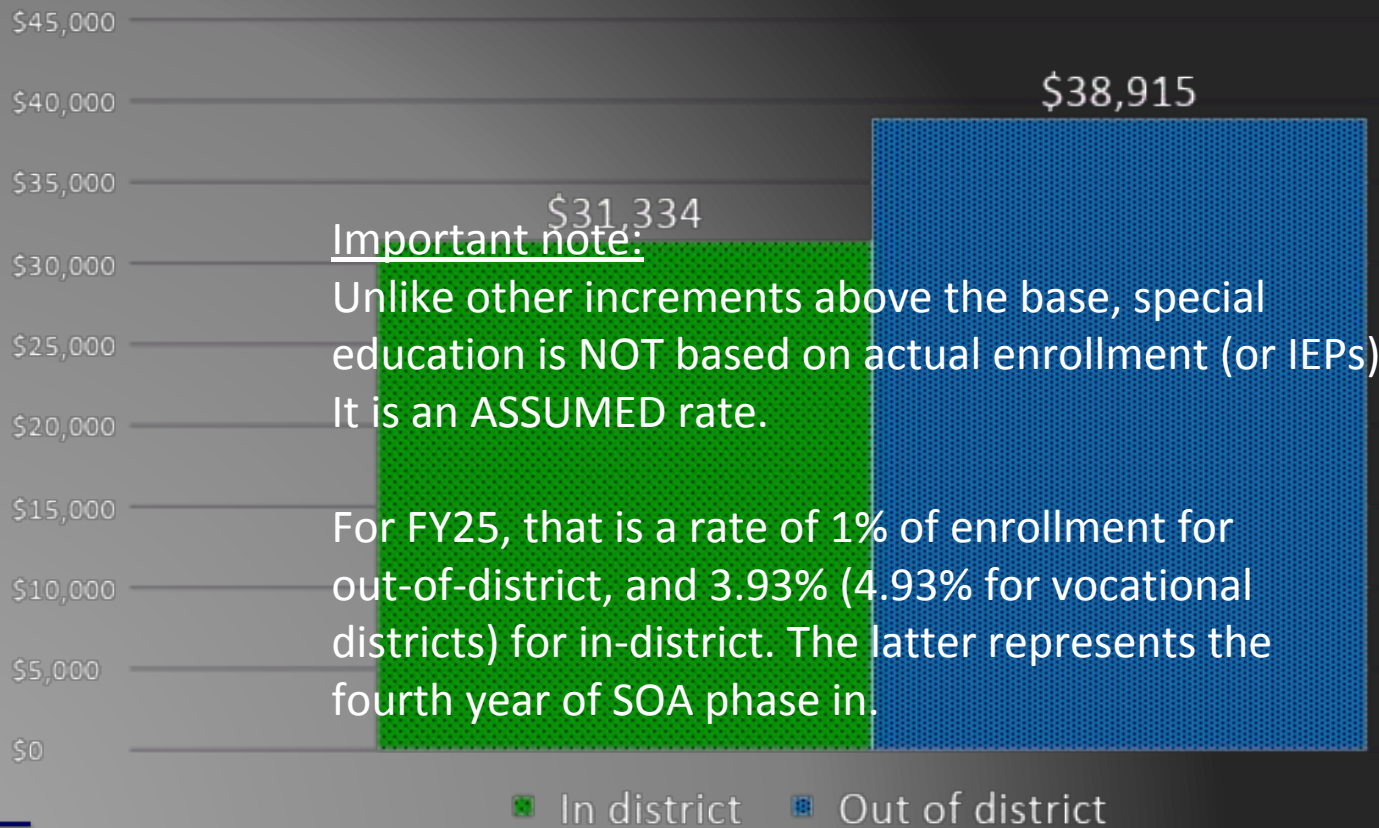
Note this represents the fourth year of SOA phase in.

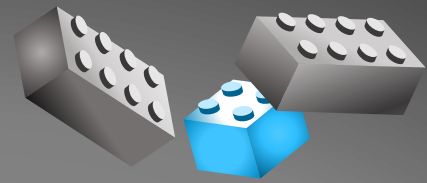


Low-income group 1 (0-5.99%) • Low-income group 2 (6-11.99%) • Low-income group 3 (12-17.99%) • Low-income group 4 (18-23.99%) • Low-income group 5 (24-29.99%) • Low-income group 6 (30-35.99%) • Low-income group 7 (36-41.99%) • Low-income group 8 (42-47.99%) • Low-income group 9 (48-53.99%) • Low-income group 10 (54-69.99%) • Low-income group 11 (70-79.99%) • Low-income group 12 (80%+)

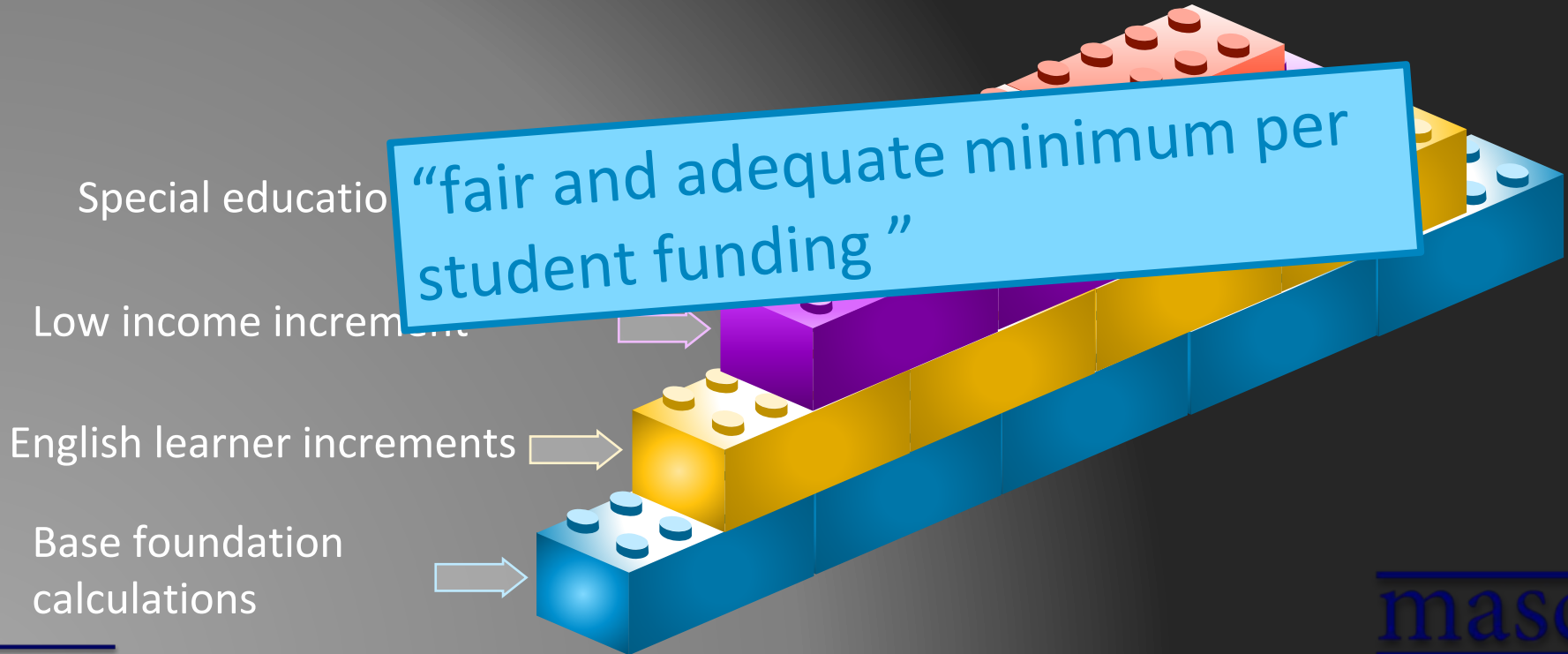
# Special education: FY25

Note this represents the fourth year of SOA phase in.



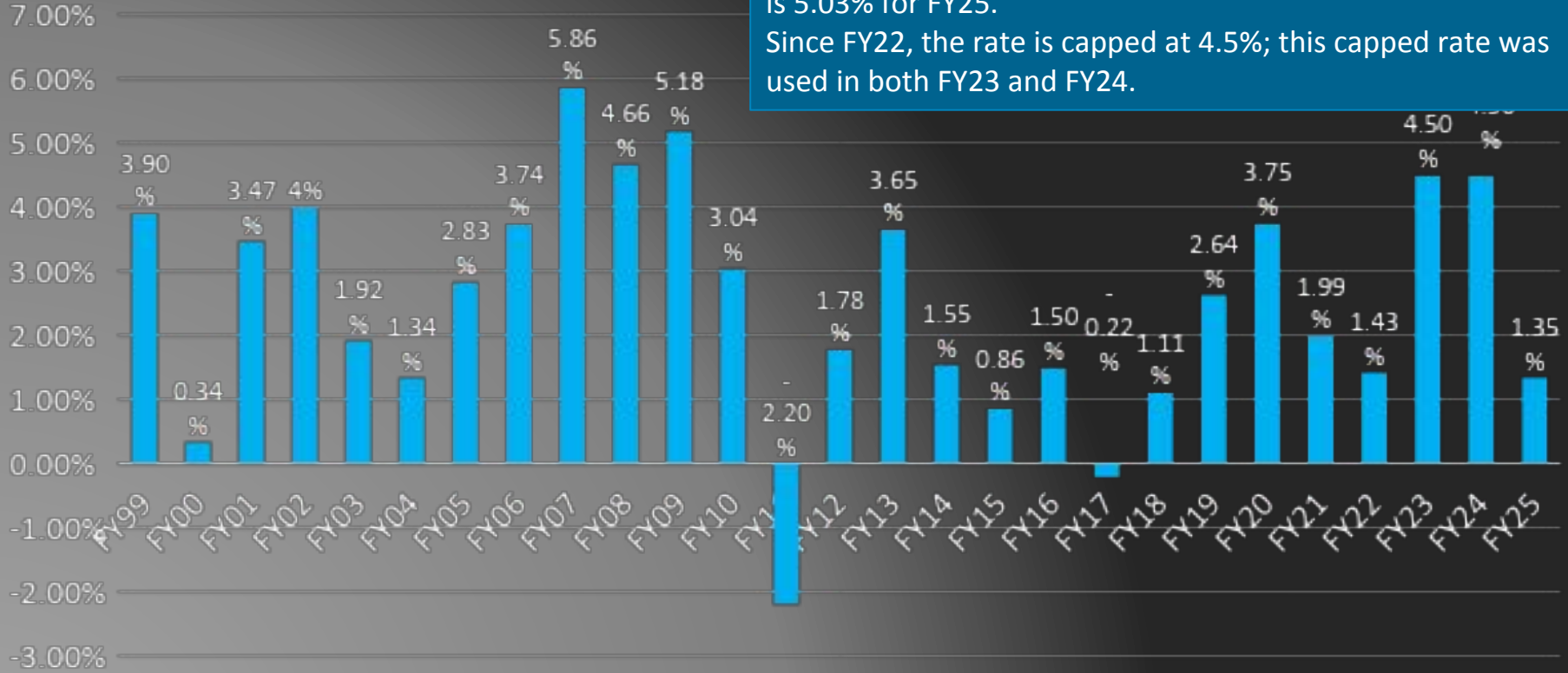


# Putting the pieces together



# Inflation rate\*: FY25

NOTES: Since FY22, health insurance has a separate rate; it is 5.03% for FY25.  
 Since FY22, the rate is capped at 4.5%; this capped rate was used in both FY23 and FY24.



# Amherst: FY25

## FY25 Chapter 70 Foundation Budget

### 8 Amherst

	<u>Base Foundation Components</u>							<u>Incremental Costs Above the Base</u>						13	14
	1	2	3	4	5	6	7	8	9	10	11	12			
	Pre-school	----- Kindergarten ----- Half-Day	Full-Day	Elementary	Junior/ Middle	High School	Vocational	Special Ed In-District	Special Ed Tuitioned-Out	English learners PK-5	English learners 6-8	English learners High School/Voc	Low income	TOTAL	
<b>Foundation Enrollment</b>	<b>62</b>	<b>0</b>	<b>114</b>	<b>704</b>	<b>135</b>	<b>0</b>	<b>0</b>	<b>37</b>	<b>10</b>	<b>117</b>	<b>15</b>	<b>0</b>	<b>364</b>	<b>984</b>	
1 Administration	13,908	0	51,146	315,850	60,568	0	0	114,567	37,028	12,998	1,774	0	26,477	634,315	
2 Instructional Leadership	25,119	0	92,374	570,451	109,391	0	0	0	0	22,745	3,103	0	125,460	948,643	
3 Classroom & Specialist Teachers	115,179	0	423,561	2,615,642	441,392	0	0	378,043	0	159,209	21,724	0	1,224,722	5,379,471	
4 Other Teaching Services	29,540	0	108,635	670,870	92,607	0	0	352,973	566	22,745	3,103	0	0	1,281,039	
5 Professional Development	4,555	0	16,760	103,516	21,516	0	0	18,237	0	6,498	887	0	59,416	231,385	
6 Instructional Materials, Equipment & Techn	16,670	0	61,306	378,590	72,599	0	0	15,917	0	16,244	2,217	0	9,111	572,654	
7 Guidance & Psychological Services	11,735	0	43,155	266,499	55,133	0	0	0	0	9,747	1,330	0	49,591	437,190	
8 Pupil Services	3,333	0	12,262	113,569	35,575	0	0	0	0	3,250	443	0	257,697	426,131	
9 Operations & Maintenance	31,984	0	117,617	726,338	151,000	0	0	127,977	0	38,990	5,320	0	0	1,199,226	
10 Employee Benefits/Fixed Charges*	50,276	0	184,883	1,141,747	233,658	0	0	151,630	0	37,780	5,155	0	209,409	2,014,538	
11 Special Education Tuition*	0	0	0	0	0	0	0	0	351,557	0	0	0	0	351,557	
<b>12 Total</b>	<b>302,299</b>	<b>0</b>	<b>1,111,700</b>	<b>6,903,072</b>	<b>1,273,439</b>	<b>0</b>	<b>0</b>	<b>1,159,344</b>	<b>389,151</b>	<b>330,207</b>	<b>45,056</b>	<b>0</b>	<b>1,961,884</b>	<b>13,476,150</b>	

13 Wage Adjustment Factor 100.0%

\*The wage adjustment factor is applied to underlying rates in all functions except instructional equipment, benefits and special education tuition.

14 Low-income percentage 35.56%

15 Low-income group 6

**Foundation Budget per Pupil 13,695**

English learner foundation budget as % total foundation budget	2.8%
Low-income foundation budget as % total foundation budget	14.6%

DESE FY25 Chapter 70 and Net School Spending



# Amherst: FY25

Category	Enrollment	Per pupil	Total
Pre-K	62	\$4,876	\$302,299
Full-day K	114	\$9,752	\$1,111,700
Elementary	704	\$9,806	\$6,903,072
Middle	135	\$9,433	\$1,273,439
<i>Sped in-district</i>	<i>37</i>	<i>\$31,334</i>	<i>\$1,159,344</i>
<i>Sped out-of-district</i>	<i>10</i>	<i>\$38,915</i>	<i>\$389,151</i>
<i>EL (prek-5)</i>	<i>117</i>	<i>\$2,822</i>	<i>\$330,207</i>
<i>EL (6-8)</i>	<i>15</i>	<i>\$3,044</i>	<i>\$45,056</i>
<i>Low income (group 6)</i>	<i>364</i>	<i>\$4,697</i>	<i>\$1,961,884</i>
<b>Total</b>	<b>984</b>		<b>\$13,476,150</b>

Rows of 0 have been omitted.  
 Rows in italics are increments over base foundation.

# Amherst Pelham Regional: FY25

## FY25 Chapter 70 Foundation Budget

### 605 Amherst Pelham

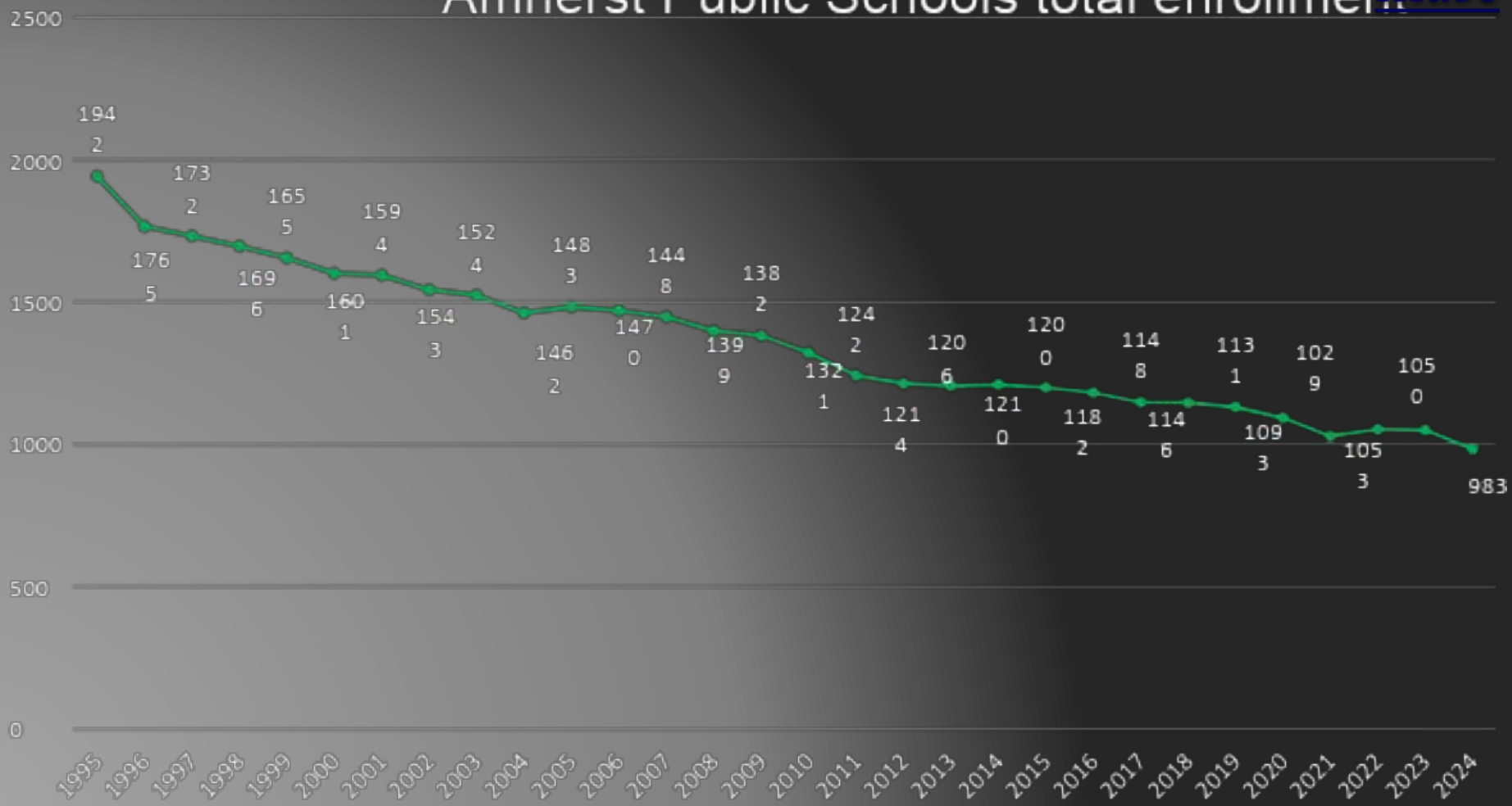
	Base Foundation Components							Incremental Costs Above the Base							TOTAL
	1	2	3	4	5	6	7	8	9	10	11	12	13		
	Pre-school	----- Kindergarten ----- Half-Day	Full-Day	Elementary	Junior/ Middle	High School	Vocational	Special Ed In-District	Special Ed Tuitioned-Out	English learners PK-5	English learners 6-8	English learners High School/Voc	Low income		
<b>Foundation Enrollment</b>	0	0	0	0	386	830	25	49	12	0	25	53	412	1,241	
1 Administration	0	0	0	0	173,179	372,380	11,216	151,724	44,433	0	2,956	6,719	29,969	792,576	
2 Instructional Leadership	0	0	0	0	312,776	672,549	20,258	0	0	0	5,172	11,759	142,004	1,164,518	
3 Classroom & Specialist Teachers	0	0	0	0	1,262,054	3,990,773	204,348	500,652	0	0	36,206	82,312	1,386,223	7,462,568	
4 Other Teaching Services	0	0	0	0	264,788	473,988	14,277	467,451	679	0	5,172	11,759	0	1,238,114	
5 Professional Development	0	0	0	0	61,521	128,277	6,388	24,151	0	0	1,478	3,359	67,251	292,424	
6 Instructional Materials, Equipment & Techn	0	0	0	0	207,579	714,149	37,643	21,080	0	0	3,695	8,399	10,312	1,002,857	
7 Guidance & Psychological Services	0	0	0	0	157,639	374,430	11,278	0	0	0	2,217	5,039	56,131	606,733	
8 Pupil Services	0	0	0	0	101,719	504,358	15,192	0	0	0	739	1,680	291,680	915,367	
9 Operations & Maintenance	0	0	0	0	431,749	900,160	50,744	169,483	0	0	8,867	20,158	0	1,581,160	
10 Employee Benefits/Fixed Charges*	0	0	0	0	668,089	1,276,100	50,165	200,807	0	0	8,592	19,532	237,024	2,460,308	
11 Special Education Tuition*	0	0	0	0	0	0	0	0	421,869	0	0	0	0	421,869	
<b>12 Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,641,092</b>	<b>9,407,162</b>	<b>421,508</b>	<b>1,535,347</b>	<b>466,981</b>	<b>0</b>	<b>75,093</b>	<b>170,717</b>	<b>2,220,593</b>	<b>17,938,493</b>	
13 Wage Adjustment Factor	100.0%										<b>Foundation Budget per Pupil</b>			<b>14,455</b>	
*The wage adjustment factor is applied to underlying rates in all functions except instructional equipment, benefits and special education tuition.															
14 Low-income percentage	31.91%										English learner foundation budget as % total foundation budget			1.4%	
15 Low-income group	6										Low-income foundation budget as % total foundation budget			12.4%	

## DESE FY25 Chapter 70 and Net School Spending

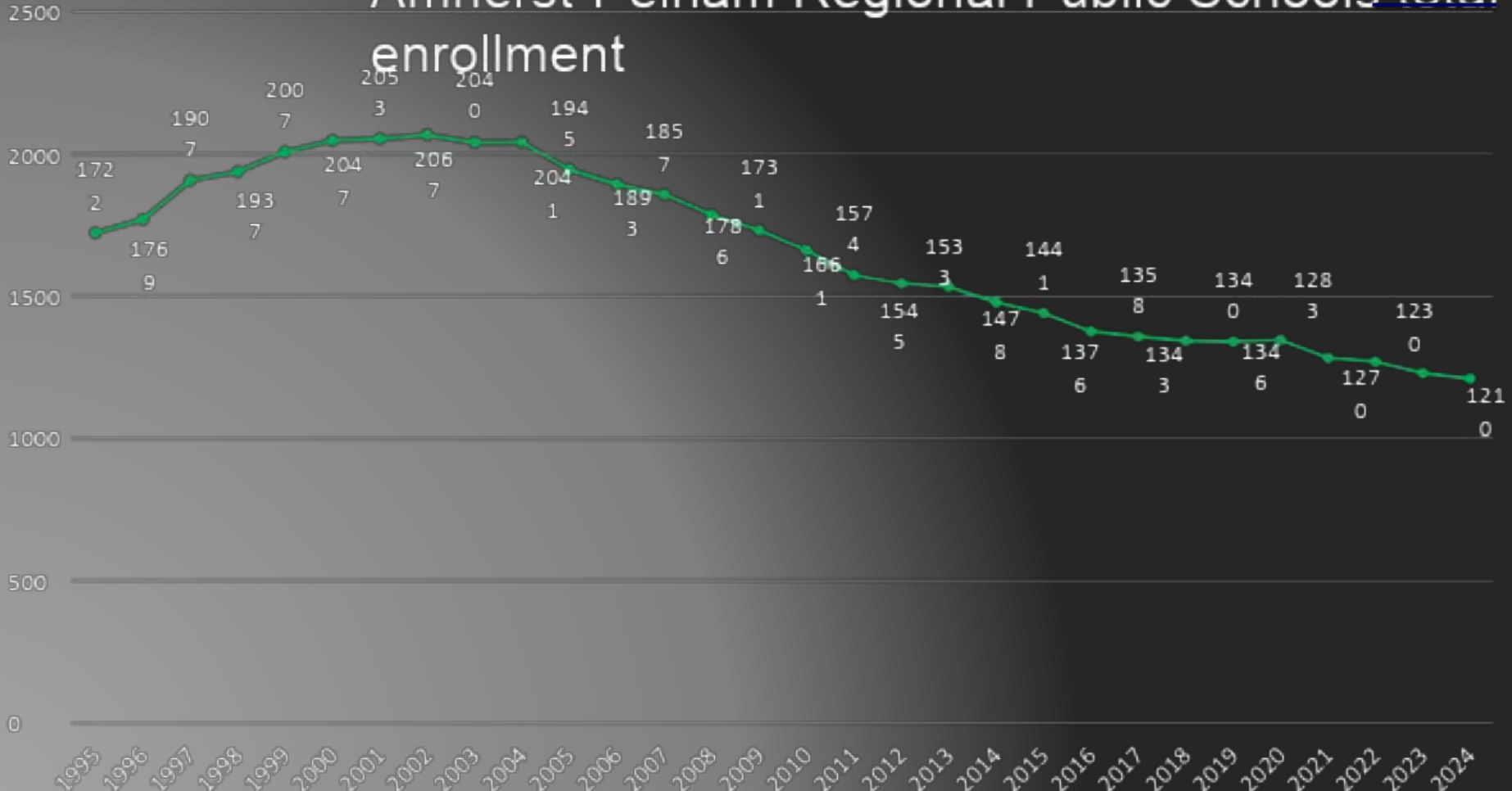
# Amherst Pelham Regional: FY25

Category	Enrollment	Per pupil	Total
Middle	386	\$9,433	\$3,641,092
High	830	\$11,334	\$9,407,162
Vocational	25	\$16,880	\$421,508
<i>Sped in district</i>	<i>49</i>	<i>\$31,334</i>	<i>\$1,535,347</i>
<i>Sped out of district</i>	<i>12</i>	<i>\$38,915</i>	<i>\$466,981</i>
<i>EL (6-8)</i>	<i>25</i>	<i>\$3,044</i>	<i>\$75,093</i>
<i>EL (9-12)</i>	<i>53</i>	<i>\$3,221</i>	<i>\$170,717</i>
<i>Low income (group 6)</i>	<i>412</i>	<i>\$4,697</i>	<i>\$2,220,593</i>
<b>Total</b>	<b>1,241</b>		<b>\$17,938,493</b>

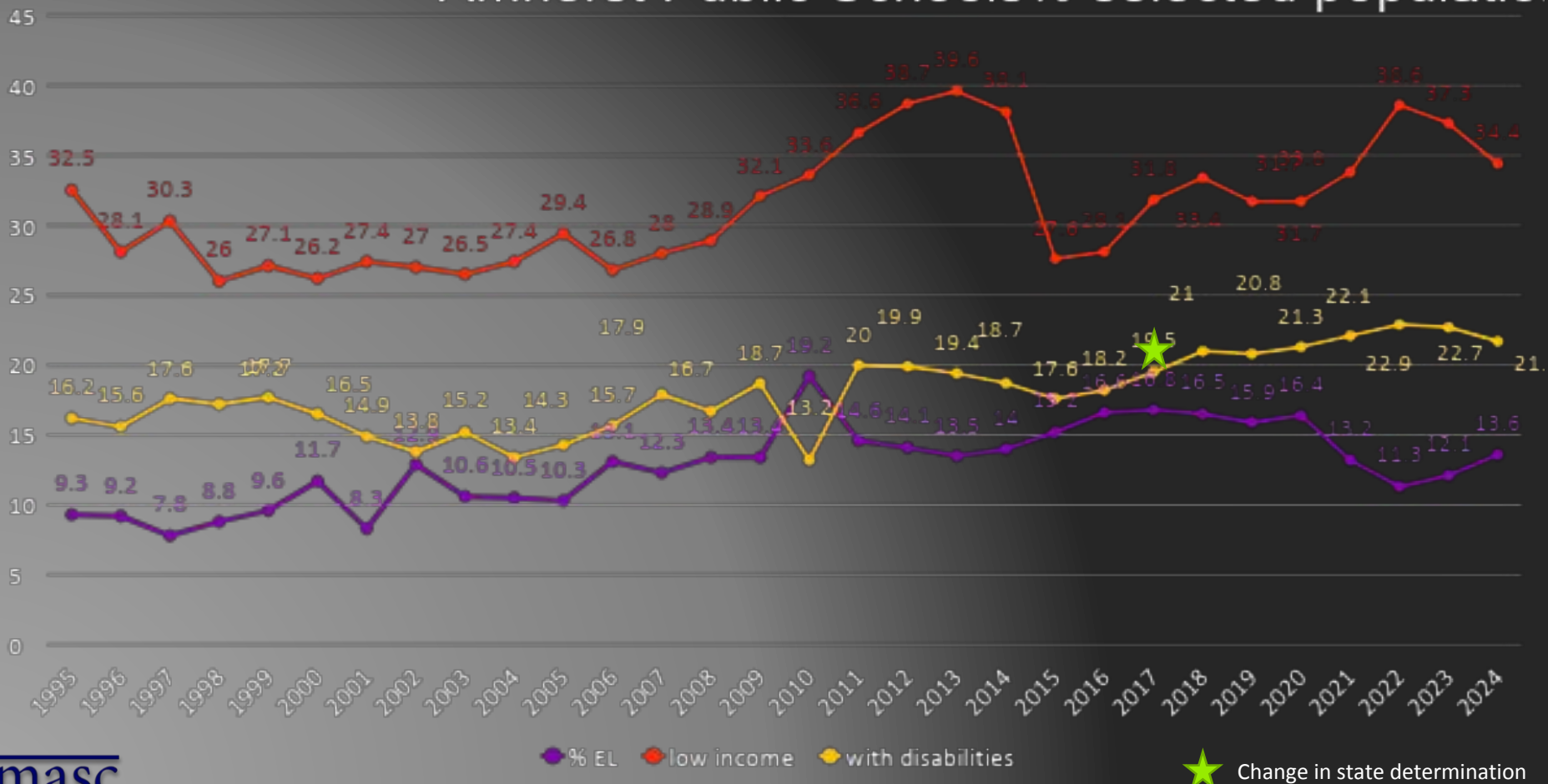
# Amherst Public Schools total enrollment



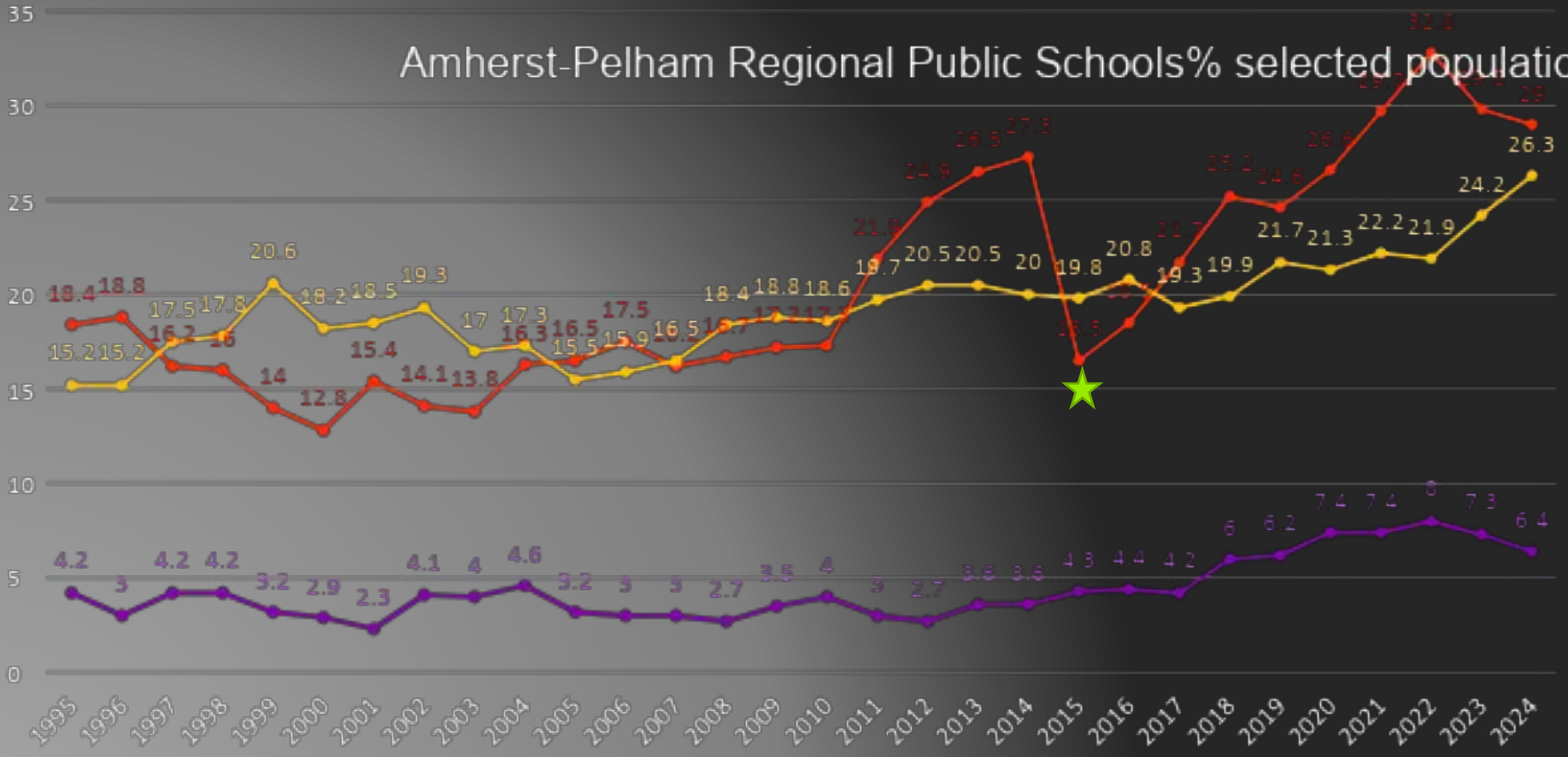
# Amherst-Pelham Regional Public Schools total enrollment



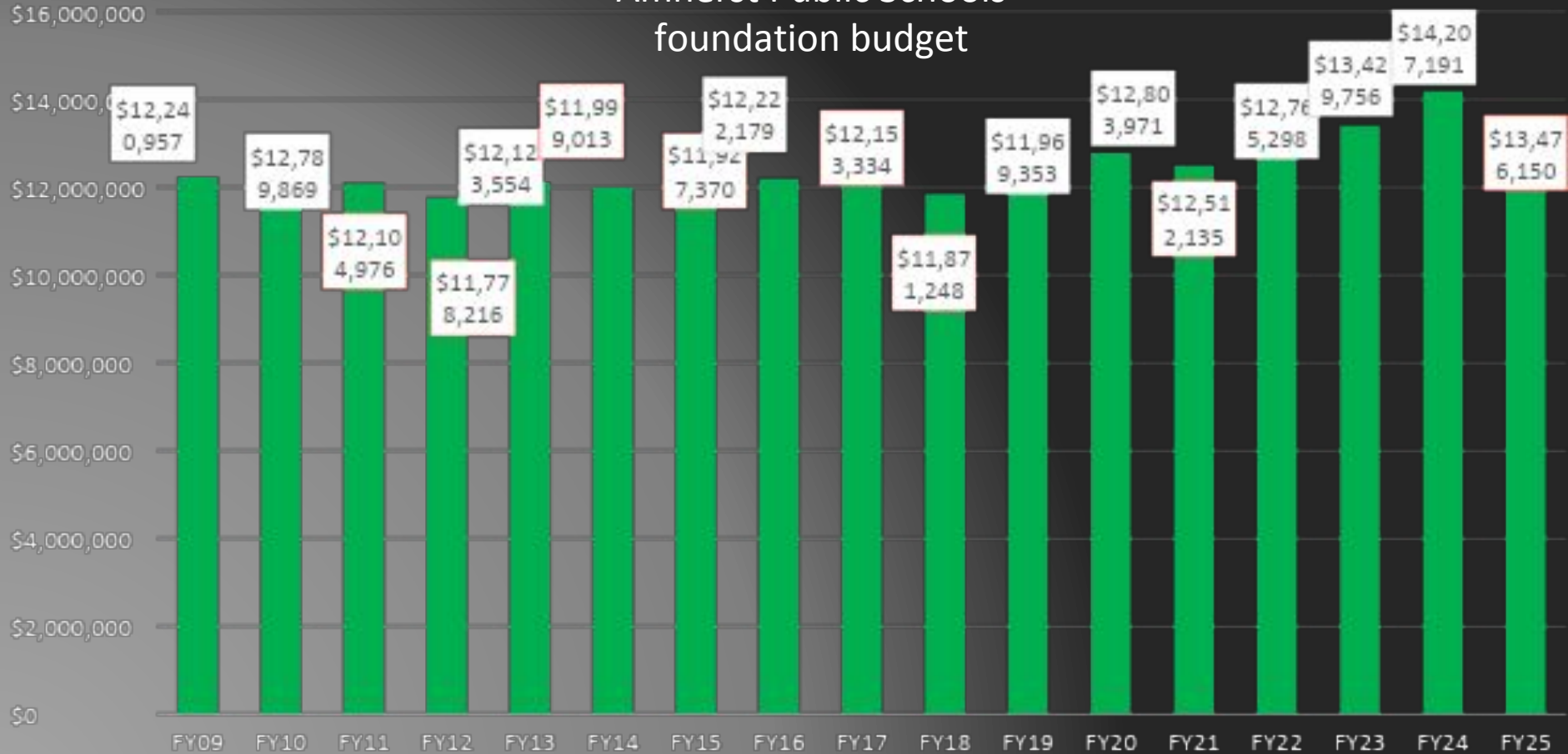
# Amherst Public Schools% selected populatio



# Amherst-Pelham Regional Public Schools % selected population

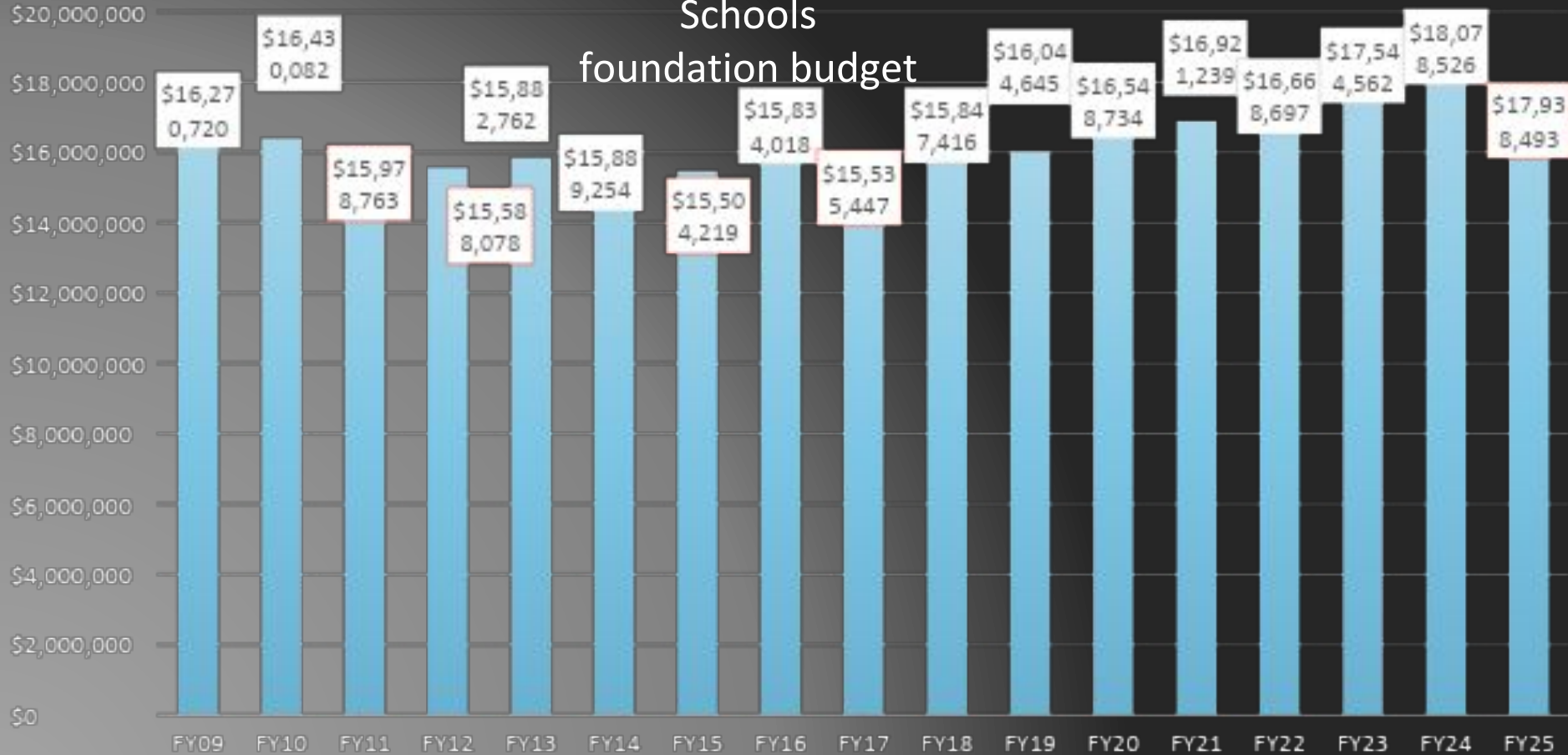


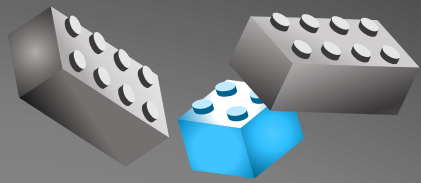
# Amherst Public Schools foundation budget





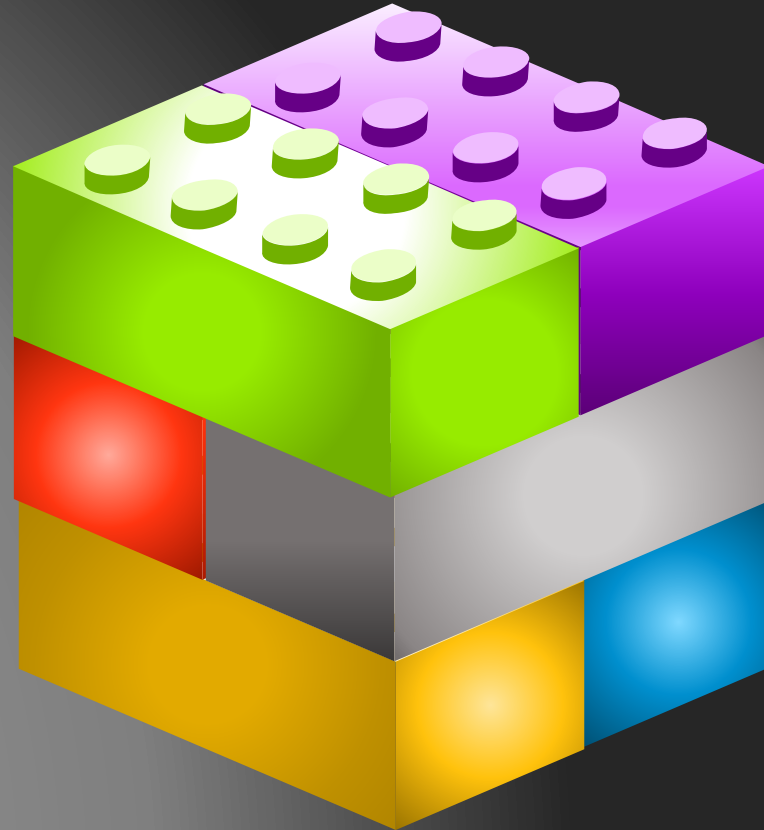
# Amherst-Pelham Regional Public Schools foundation budget





# *Funding foundation*

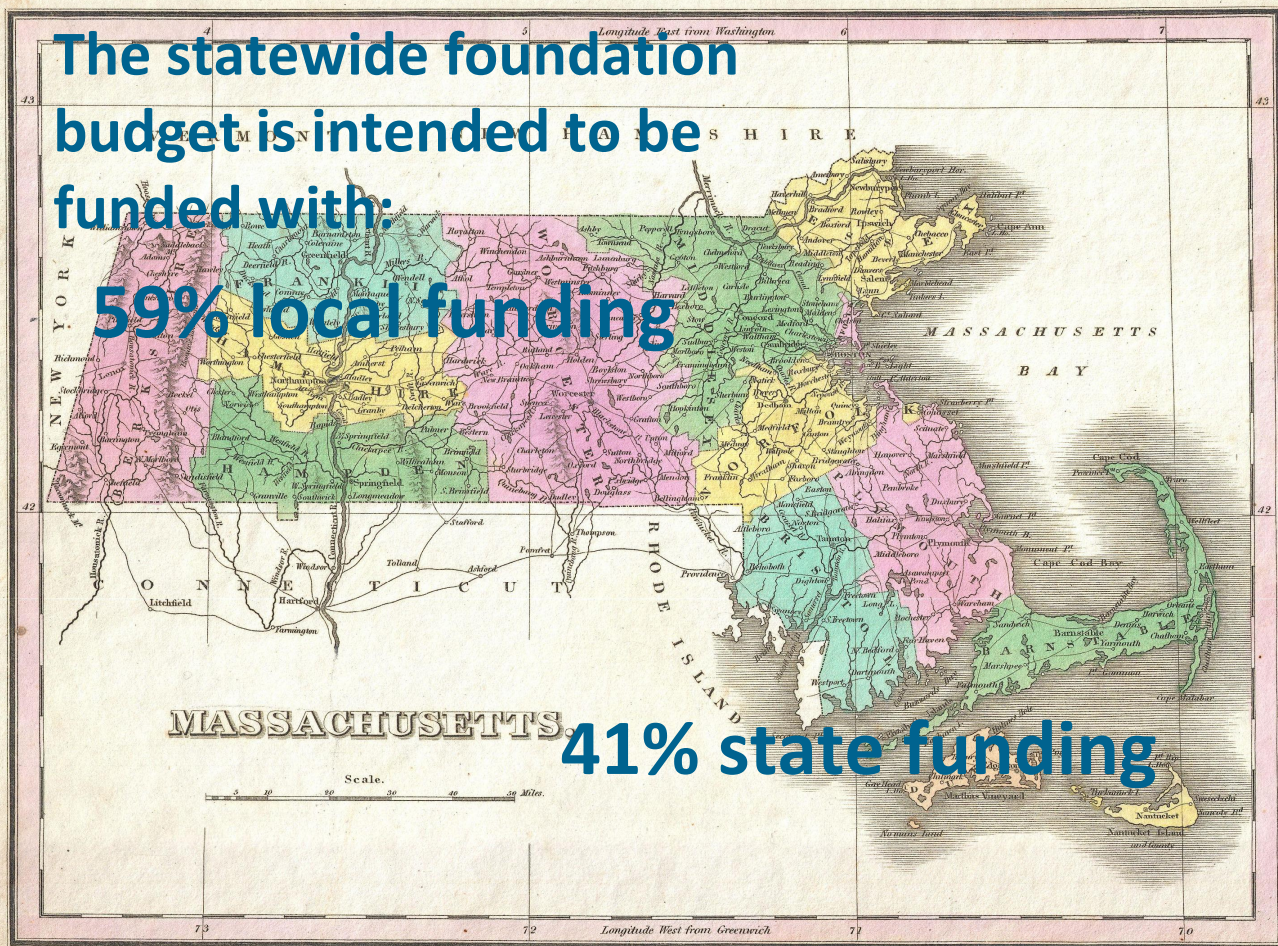
If \$86.4M is a “fair and adequate” amount of funding for Wachusett Regional in FY24, where is that funding to come from?

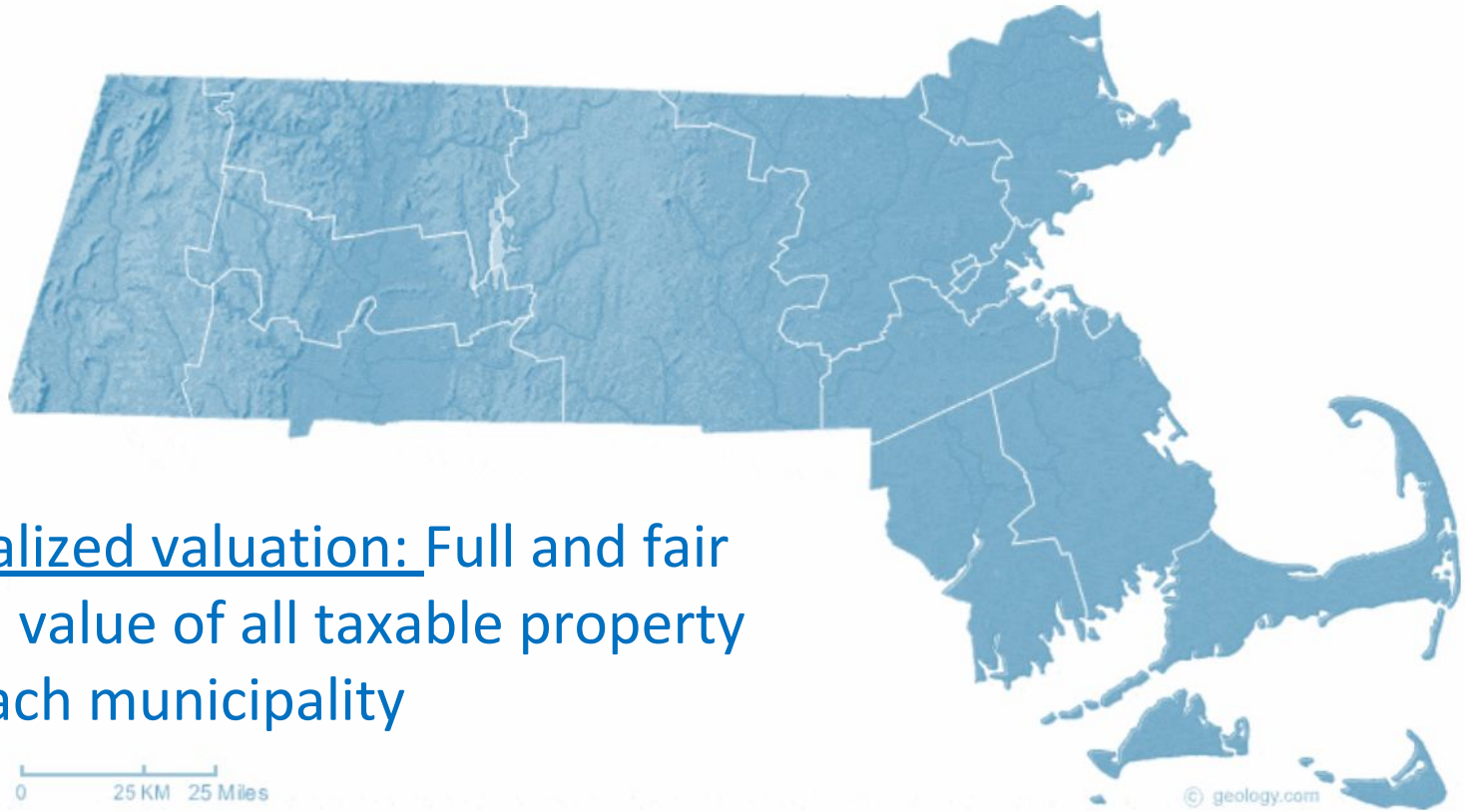


The statewide foundation budget is intended to be funded with:

59% local funding

41% state funding





Equalized valuation: Full and fair cash value of all taxable property in each municipality



Fill out in black ink.  
 For a faster refund, file your return electronically at [mass.gov/dor](http://mass.gov/dor).  
 You must also complete and enclose Schedule HC.

2021

**Massachusetts Department of Revenue**  
**Form 1** Massachusetts Resident Income Tax Return

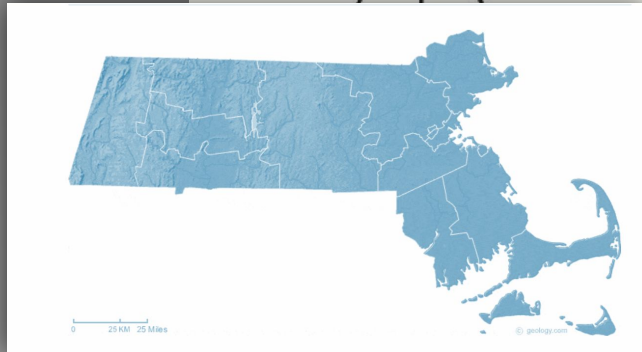
TAXPAYER'S FIRST NAME		M.I.		LAST NAME		TAXPAYER'S SOCIAL SECURITY NUMBER					
SPOUSE'S FIRST NAME		M.I.		LAST NAME		SPOUSE'S SOCIAL SECURITY NUMBER					
MAILING ADDRESS (no. & street apt./suite/postal box) if you have a foreign address, also complete line below.						CITY/TOWN		STATE		ZIP	
FOREIGN PROVINCE/STATE/COUNTY				FOREIGN COUNTRY (OR COUNTRY CODE)				FOREIGN POSTAL CODE			

change  
 Federal amendment  
 Audit  
 \$1 Taxpayer     \$1 Spouse ..... Total \$   
 Freedom, Noble Eagle or Sinai Peninsula. ...  Taxpayer     Spouse  
 Taxpayer     Spouse

Fill in appropriate oval(s) if taxpayer(s) is deceased. See instructions

Income: Derived annually from state Department of Revenue filings

0.3903%



1.4299%

Fill out in black ink.  
For a faster refund, file your return electronically at [mass.gov/lor](http://mass.gov/lor).  
You must also complete and enclose Schedule HC.

**Massachusetts Department of Revenue**  
**Form 1 Massachusetts Resident Income Tax Return** **2021**

TAXPAYER'S FIRST NAME: \_\_\_\_\_ M/A: \_\_\_\_\_ LAST NAME: \_\_\_\_\_ TAXPAYER'S SOCIAL SECURITY NUMBER: \_\_\_\_\_  
SPOUSE'S FIRST NAME: \_\_\_\_\_ M/A: \_\_\_\_\_ LAST NAME: \_\_\_\_\_ SPOUSE'S SOCIAL SECURITY NUMBER: \_\_\_\_\_

MAILING ADDRESS (do not add apt. or duplex box; if you have a foreign address, see complete instructions): \_\_\_\_\_ CITY/TOWN: \_\_\_\_\_ STATE: \_\_\_\_\_ ZIP: \_\_\_\_\_

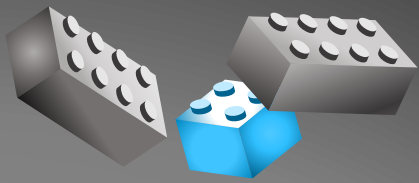
FOREIGN ADDRESS (DO NOT CHECK) \_\_\_\_\_ FOREIGN COUNTRY (SP/COLUMBIA/CELT) \_\_\_\_\_ FOREIGN POSTAL CODE: \_\_\_\_\_

Fill in 1 (see instructions):  Amended return  Other jurisdiction change  Federal amendment  
 Amended return due to IRS BBA Partnership Audit

State Election Campaign Fund (this contribution will not change your tax or reduce your refund)  \$1 Taxpayer  \$1 Spouse ..... Total \$ \_\_\_\_\_

Fill in if veteran of U.S. armed services who served in Operation Enduring Freedom, Iraqi Freedom, Noble Eagle or Sinai Peninsula:  Taxpayer  Spouse

Fill in appropriate oval(s) if taxpayer(s) is deceased. See instructions:  Taxpayer  Spouse



# Combined Effort Yield

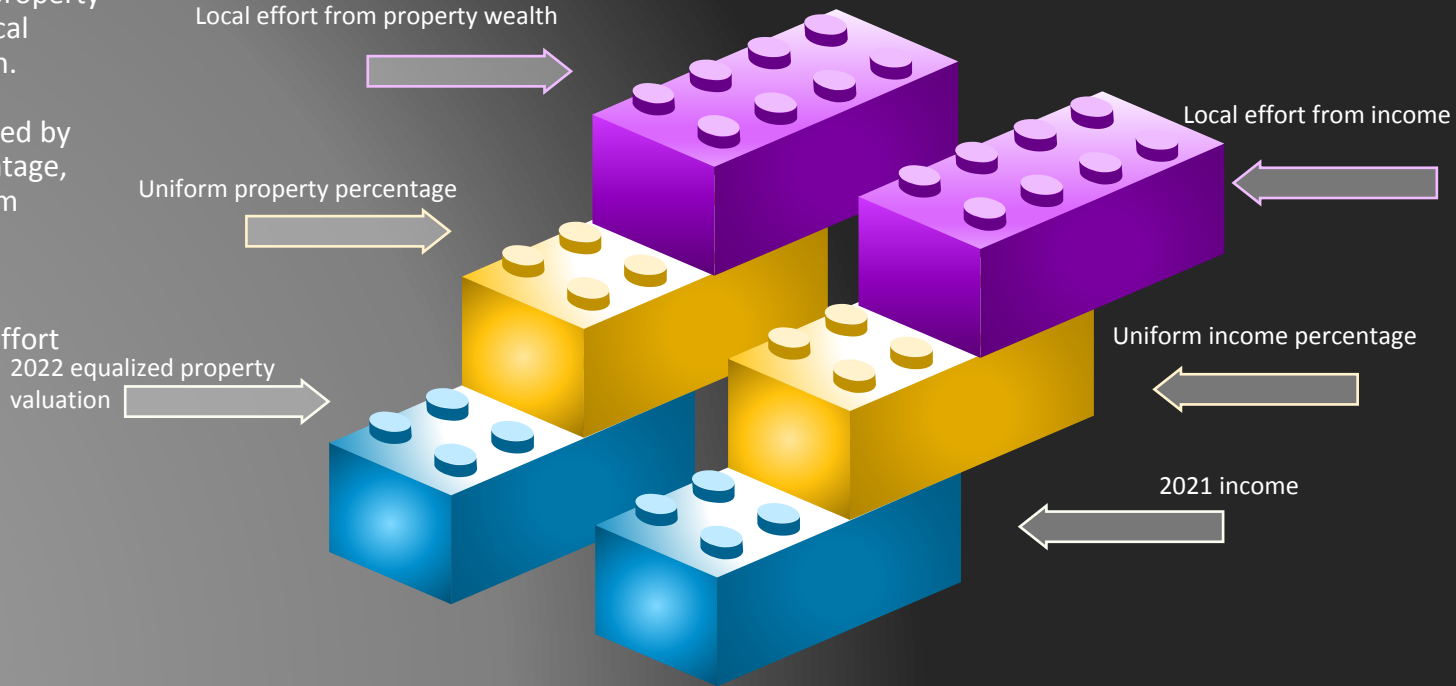
## How

**much** The local property valuation is multiplied by the uniform property percentage, yielding the local effort from property wealth.

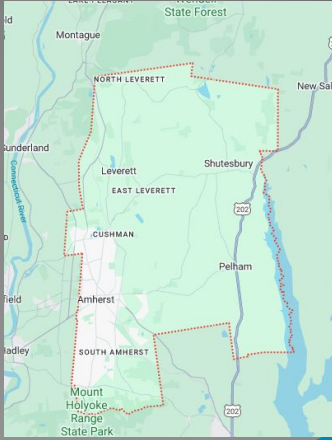
**can** The local income is multiplied by the uniform income percentage, yielding the local effort from income.

**the** Those two products added together is the Combined Effort Yield.

**town**  
**afford**  
**d to**  
**contri**  
**bute?**



For each town, then:



x 0.3903% = local effort

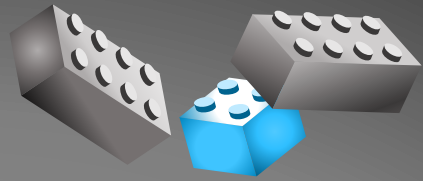
“standard of local funding effort applicable to every city and town in the commonwealth”

Standard Effort Yield (CEY)

X 1.4299% = local effort from income wealth

A screenshot of the Massachusetts Department of Revenue Form 1, Massachusetts Individual Income Tax Return. The form includes a barcode at the top left, the title "Form 1 Massachusetts Individual Income Tax Return", and various sections for taxpayer information, income, and deductions. The form is partially obscured by the blue banner.





# Required local contribution

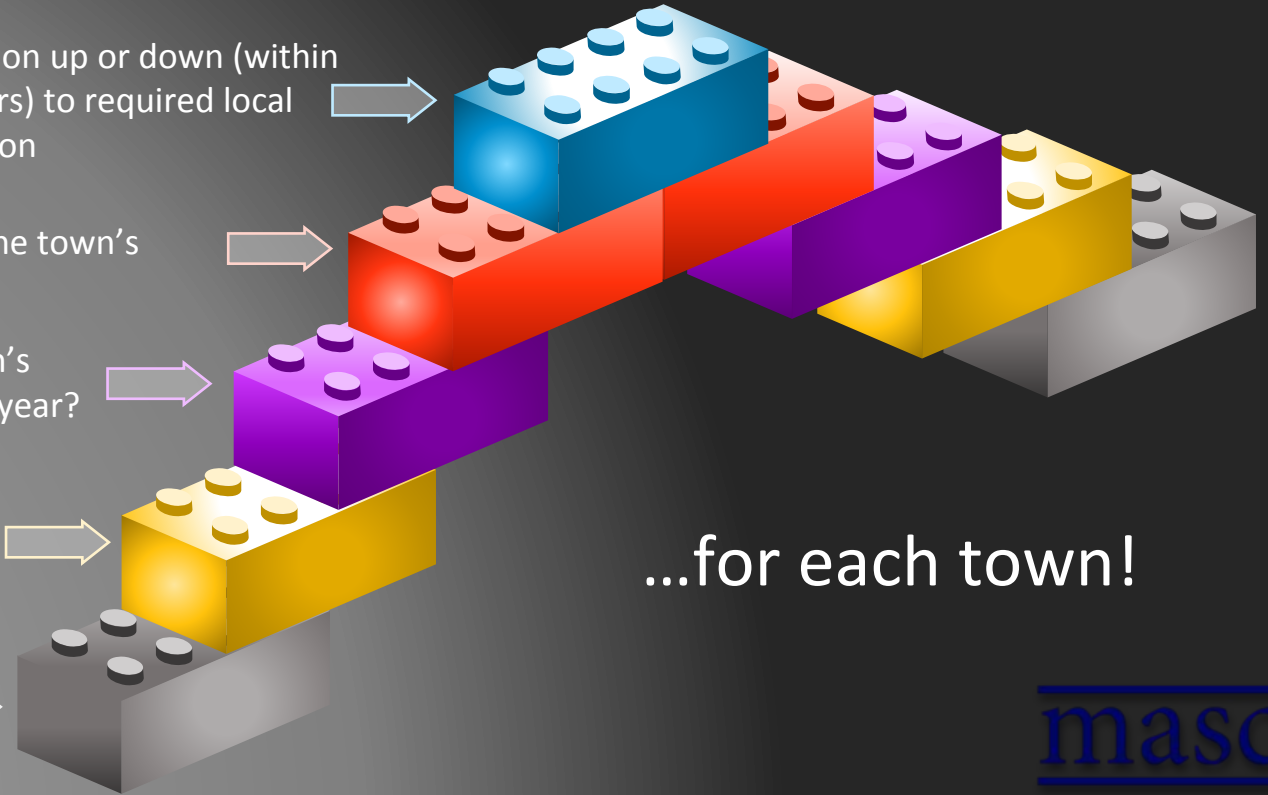
Contribution up or down (within parameters) to required local contribution

How close is that to the town's target contribution?

How much did the town's revenue grow this past year?

How much was the town required to contribute to schools last year?

Compare 82.5% of foundation to combined effort yield: which is LESS? That's your TARGET.



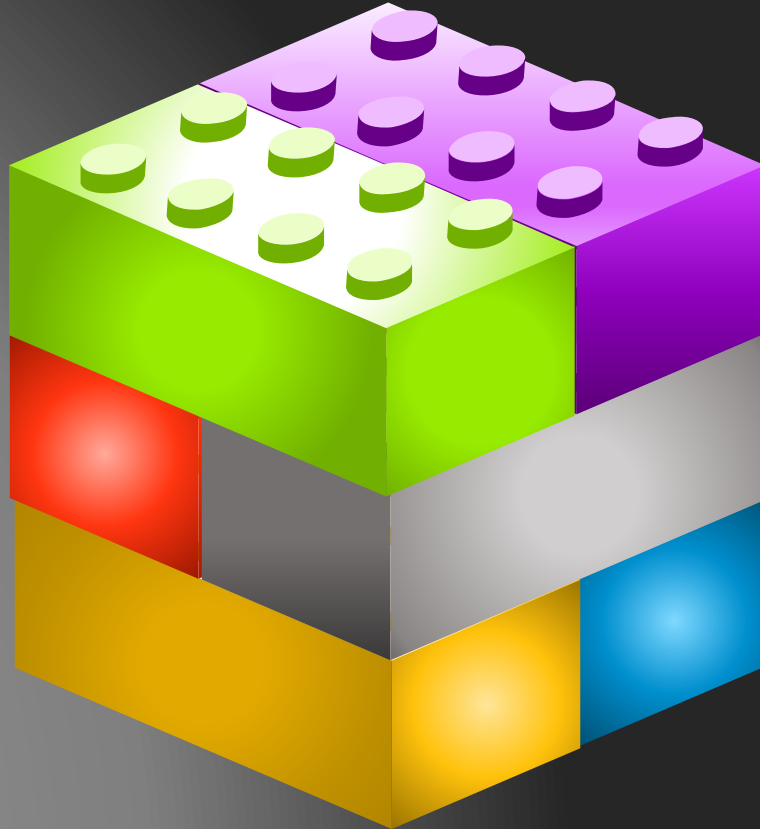
...for each town!



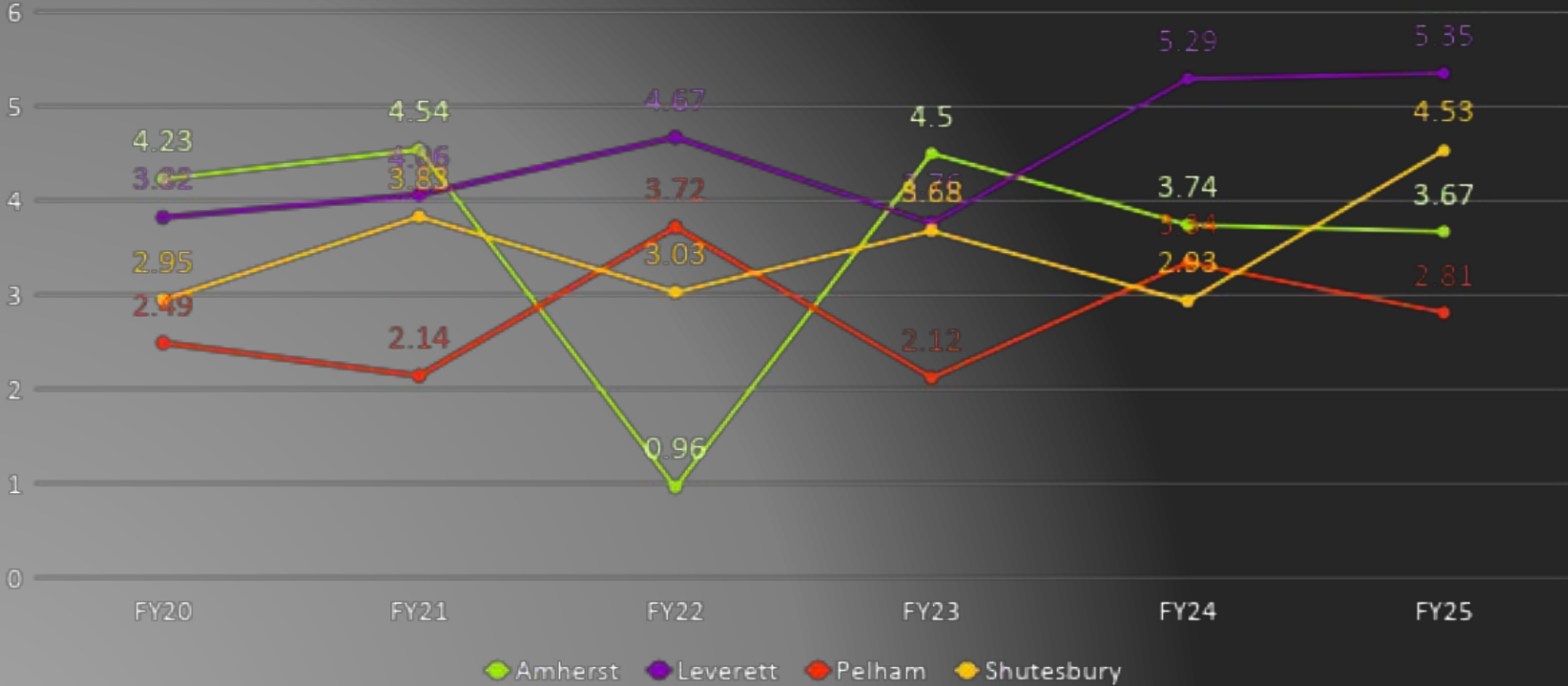
# *Municipal revenue growth factor*

Raises or lowers the local contribution from last year's required contribution by the actual changes in:

- State-imposed levy limit of 2.5%
- New growth
- State aid
- Prior year local receipts



# Municipal revenue growth factor: Amherst-Pelham Regional towns FY20-FY25 (%)



# Amherst-Pelham Regional: FY25 Required minimum local contribution

## 605 Amherst Pelham

LEA	Member	Foundation Enrollment in Regional District			Required Minimum Contribution to Regional District		
		FY24	FY25	Change	FY24	FY25	Change
	<b>Total</b>	<b>1,274</b>	<b>1,241</b>	<b>-33</b>	<b>13,803,543</b>	<b>14,305,435</b>	<b>501,892</b>
	8 Amherst	997	964	-33	11,121,458	11,495,958	374,500
	154 Leverett	102	99	-3	1,100,991	1,102,340	1,349
	230 Pelham	71	74	3	741,635	777,841	36,206
	272 Shutesbury	104	104	0	839,459	929,296	89,837

## FY25 Chapter 70 Determination of City and Town Total Required Contribution

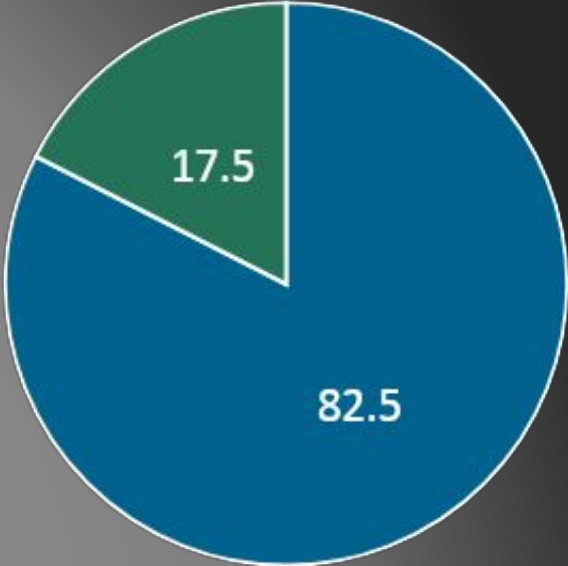
### 8 Amherst

<u>Effort Goal</u>		<u>FY25 Increments Toward Goal</u>	
1) 2022 equalized valuation	2,913,802,400	13) FY24 required local contribution	22,289,606
2) Uniform property percentage	0.3906%	14) Municipal revenue growth factor (DOR)	3.67%
3) Local effort from property wealth	11,380,170	15) FY25 preliminary contribution (13 raised by 14)	23,107,635
		16) Preliminary contribution pct of foundation (15 / 8)	84.30%
4) 2021 income	952,563,000		
5) Uniform income percentage	1.4312%	<i>If preliminary contribution is above the target share:</i>	
6) Local effort from income	13,632,987	17) Excess local effort (15 - 10)	493,853
		18) 100% reduction toward target (17 x 100%)	493,853
7) Combined effort yield (3 + 6)	25,013,157	19) FY25 required local contribution (15 - 18), capped at 90% of foundation	<b>22,613,782</b>
		20) Contribution as percentage of foundation (19 / 8)	82.50%
8) FY25 Foundation budget	27,410,644		
9) Maximum local contribution (82.5% * 8)	22,613,782	<i>If preliminary contribution is below the target share:</i>	
10) Target local contribution (lesser of 7 or 9)	22,613,782	21) Shortfall from target local share (10 - 15)	
		22) Shortfall percentage (11 - 16)	
11) Target local share (10 as % of 8)	82.50%	23) Added increment toward target (13 x 1% or 2%)*	
12) Target aid share (100% minus 11)	17.50%	*1% if shortfall is between 2.5% and 7.5%; 2% if shortfall > 7.5%	
		24) Special increment toward 82.5% target**	
		**if combined effort yield > 175% foundation	
		Combined effort yield as % of foundation	
		25) Shortfall from target after adding increments (10 - 15 - 23 - 24)	
		26) FY25 required local contribution (15 + 23 + 24)	
		27) Contribution as percentage of foundation (26 / 8)	

[See a listing of all 351 communities](#)

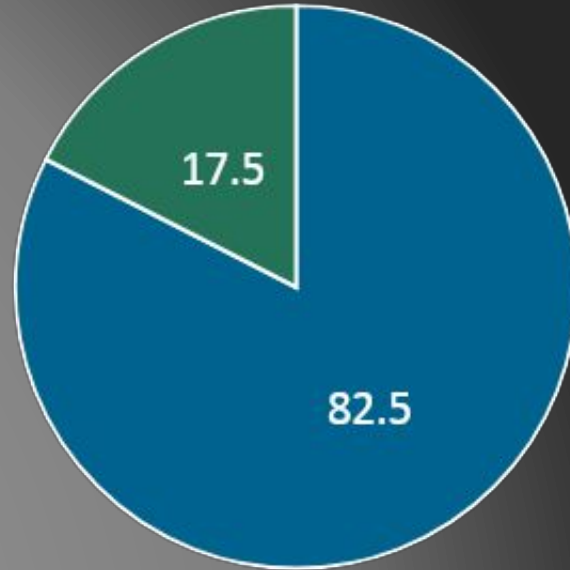
# Amherst: FY25

■ target local share (%)   ■ target aid share (%)



# Amherst: FY25

■ required local contribution (%)   ■ state foundation aid (%)



## FY25 Chapter 70 Determination of City and Town Total Required Contribution

### 154 Leverett

#### Effort Goal

1) 2022 equalized valuation	338,579,700
2) Uniform property percentage	0.3906%
3) Local effort from property wealth	1,322,360
4) 2021 income	93,938,000
5) Uniform income percentage	1.4312%
6) Local effort from income	1,344,431
7) Combined effort yield (3 + 6)	2,666,791
8) FY25 Foundation budget	2,838,165
9) Maximum local contribution (82.5% * 8)	2,341,486
10) Target local contribution (lesser of 7 or 9)	2,341,486
11) Target local share (10 as % of 8)	82.50%
12) Target aid share (100% minus 11)	17.50%

[See a listing of all 351 communities](#)

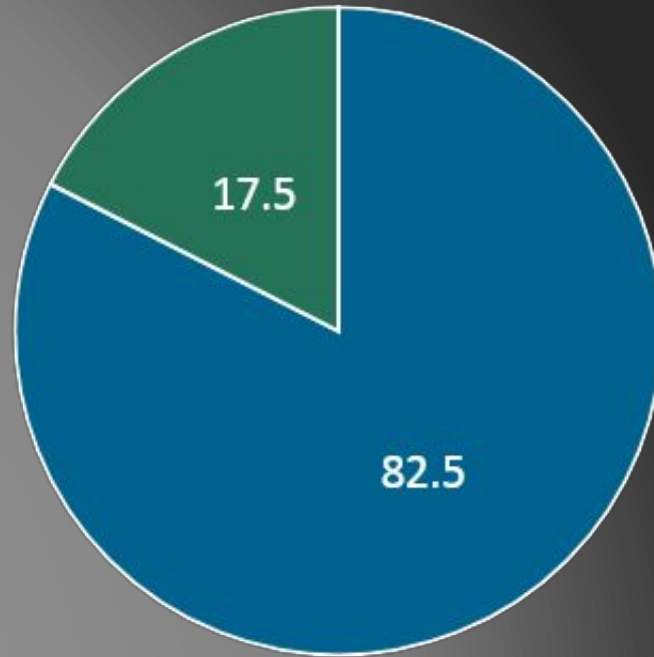
#### FY25 Increments Toward Goal

13) FY24 required local contribution	2,055,731
14) Municipal revenue growth factor (DOR)	5.35%
15) FY25 preliminary contribution (13 raised by 14)	2,165,713
16) Preliminary contribution pct of foundation (15 / 8)	76.31%
<i>If preliminary contribution is above the target share:</i>	
17) Excess local effort (15 - 10)	
18) 100% reduction toward target (17 x 100%)	
19) FY25 required local contribution (15 - 18), capped at 90% of foundation	
20) Contribution as percentage of foundation (19 / 8)	
<i>If preliminary contribution is below the target share:</i>	
21) Shortfall from target local share (10 - 15)	175,773
22) Shortfall percentage (11 - 16)	6.19%
23) Added increment toward target (13 x 1% or 2%)*	20,557
<i>*1% if shortfall is between 2.5% and 7.5%; 2% if shortfall &gt; 7.5%</i>	
24) Special increment toward 82.5% target**	0
<i>**if combined effort yield &gt; 175% foundation</i>	
Combined effort yield as % of foundation	
25) Shortfall from target after adding increments (10 - 15 - 23 - 24)	155,216
26) FY25 required local contribution (15 + 23 + 24)	2,186,270
27) Contribution as percentage of foundation (26 / 8)	77.03%



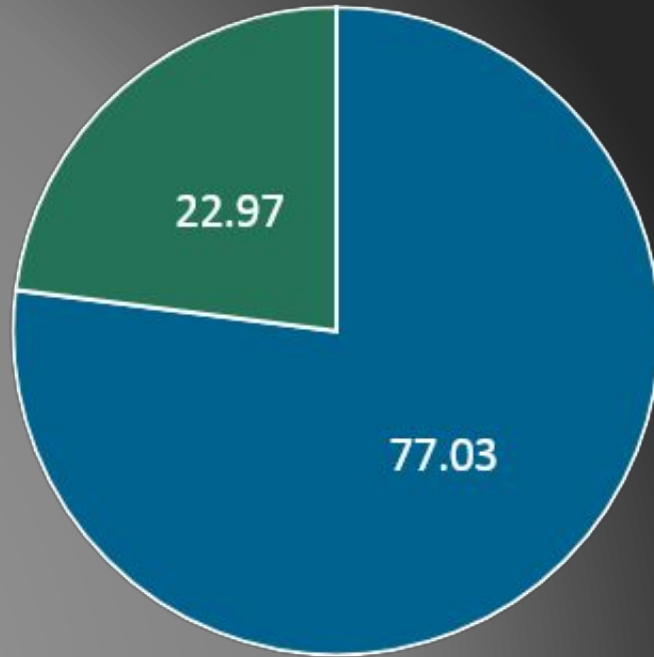
# Leverett: FY25

■ target local share (percent) ■ target aid share (percent)



# Leverett: FY25

■ required local contribution (%)   ■ state foundation aid (%)



## FY25 Chapter 70 Determination of City and Town Total Required Contribution

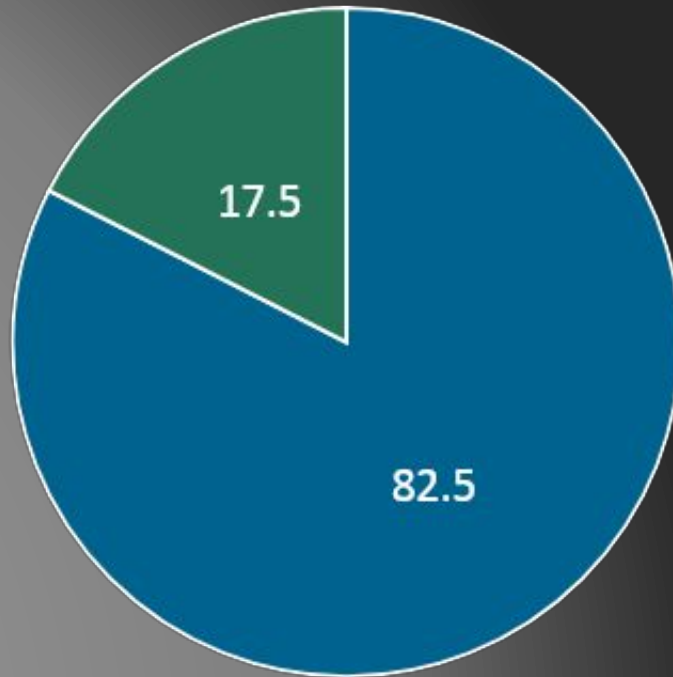
### 230 Pelham

<u>Effort Goal</u>		<u>FY25 Increments Toward Goal</u>	
1) 2022 equalized valuation	202,643,200	13) FY24 required local contribution	1,373,567
2) Uniform property percentage	0.3906%	14) Municipal revenue growth factor (DOR)	2.81%
3) Local effort from property wealth	791,445	15) FY25 preliminary contribution (13 raised by 14)	1,412,164
		16) Preliminary contribution pct of foundation (15 / 8)	71.33%
4) 2021 income	69,821,000		
5) Uniform income percentage	1.4312%	<i>If preliminary contribution is above the target share:</i>	
6) Local effort from income	999,271	17) Excess local effort (15 - 10)	
		18) 100% reduction toward target (17 x 100%)	
7) Combined effort yield (3 + 6)	1,790,716	19) FY25 required local contribution (15 - 18), capped at 90% of foundation	
		20) Contribution as percentage of foundation (19 / 8)	
8) FY25 Foundation budget	1,979,737		
9) Maximum local contribution (82.5% * 8)	1,633,283	<i>If preliminary contribution is below the target share:</i>	
		21) Shortfall from target local share (10 - 15)	221,119
10) Target local contribution (lesser of 7 or 9)	1,633,283	22) Shortfall percentage (11 - 16)	11.17%
		23) Added increment toward target (13 x 1% or 2%)*	27,471
11) Target local share (10 as % of 8)	82.50%	<i>*1% if shortfall is between 2.5% and 7.5%; 2% if shortfall &gt; 7.5%</i>	
12) Target aid share (100% minus 11)	17.50%	24) Special increment toward 82.5% target**	0
		<i>**if combined effort yield &gt; 175% foundation</i>	
		Combined effort yield as % of foundation	
		25) Shortfall from target after adding increments (10 - 15 - 23 - 24)	193,648
		26) FY25 required local contribution (15 + 23 + 24)	1,439,635
		27) Contribution as percentage of foundation (26 / 8)	72.72%

[See a listing of all 351 communities](#)

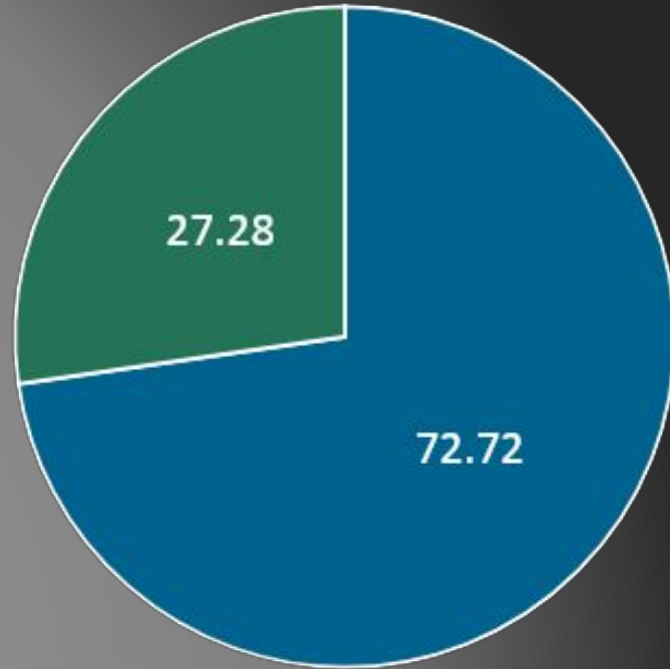
# Pelham: FY25

■ target local share (percent) ■ target aid share (percent)



# Pelham: FY25

■ required local contribution (percent) ■ state foundation aid (percent)



## FY25 Chapter 70 Determination of City and Town Total Required Contribution

### 272 Shutesbury

#### Effort Goal

1) 2022 equalized valuation	258,085,500
2) Uniform property percentage	0.3906%
3) Local effort from property wealth	1,007,981
4) 2021 income	63,654,000
5) Uniform income percentage	1.4312%
6) Local effort from income	911,010
7) Combined effort yield (3 + 6)	1,918,991
8) FY25 Foundation budget	2,833,615
9) Maximum local contribution (82.5% * 8)	2,337,732
10) Target local contribution (lesser of 7 or 9)	1,918,991
11) Target local share (10 as % of 8)	67.72%
12) Target aid share (100% minus 11)	32.28%

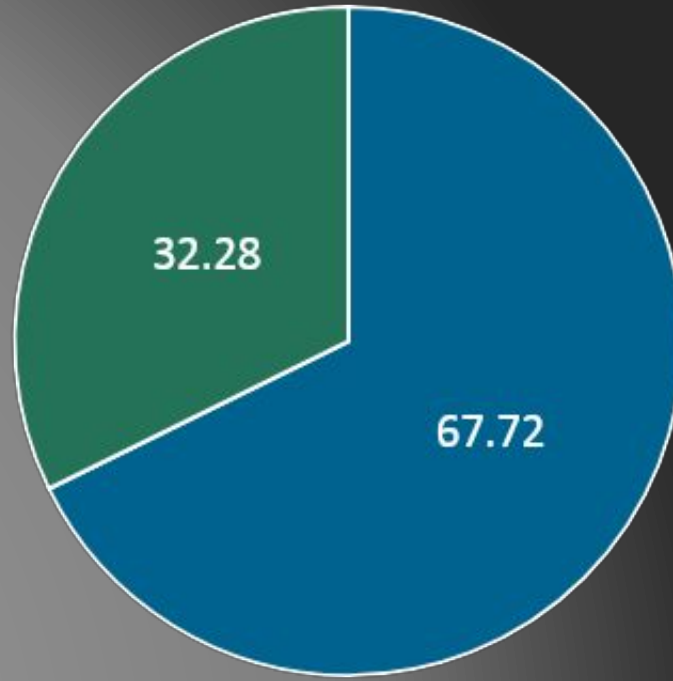
[See a listing of all 351 communities](#)

#### FY25 Increments Toward Goal

13) FY24 required local contribution	1,659,860
14) Municipal revenue growth factor (DOR)	4.53%
15) FY25 preliminary contribution (13 raised by 14)	1,735,052
16) Preliminary contribution pct of foundation (15 / 8)	61.23%
<i>If preliminary contribution is above the target share:</i>	
17) Excess local effort (15 - 10)	
18) 100% reduction toward target (17 x 100%)	
19) FY25 required local contribution (15 - 18), capped at 90% of foundation	
20) Contribution as percentage of foundation (19 / 8)	
<i>If preliminary contribution is below the target share:</i>	
21) Shortfall from target local share (10 - 15)	183,939
22) Shortfall percentage (11 - 16)	6.49%
23) Added increment toward target (13 x 1% or 2%)*	16,599
<i>*1% if shortfall is between 2.5% and 7.5%; 2% if shortfall &gt; 7.5%</i>	
24) Special increment toward 82.5% target**	0
<i>**if combined effort yield &gt; 175% foundation</i>	
Combined effort yield as % of foundation	
25) Shortfall from target after adding increments (10 - 15 - 23 - 24)	167,340
26) FY25 required local contribution (15 + 23 + 24)	1,751,651
27) Contribution as percentage of foundation (26 / 8)	61.82%

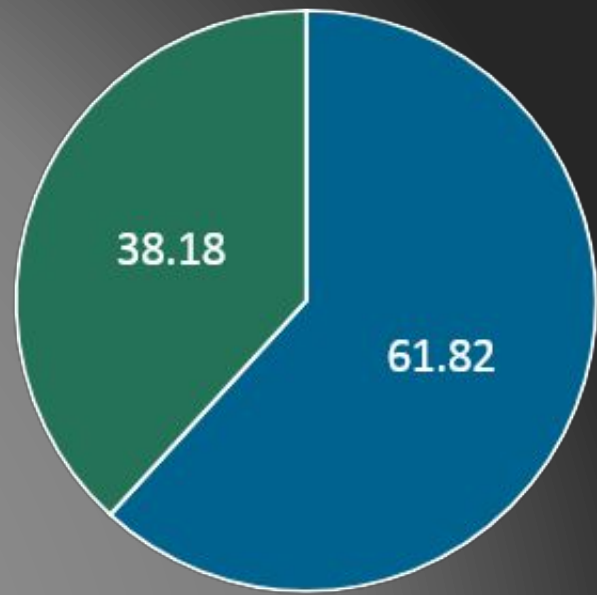
# Shutesbury: FY25

■ target local share (percent) ■ target aid share (percent)



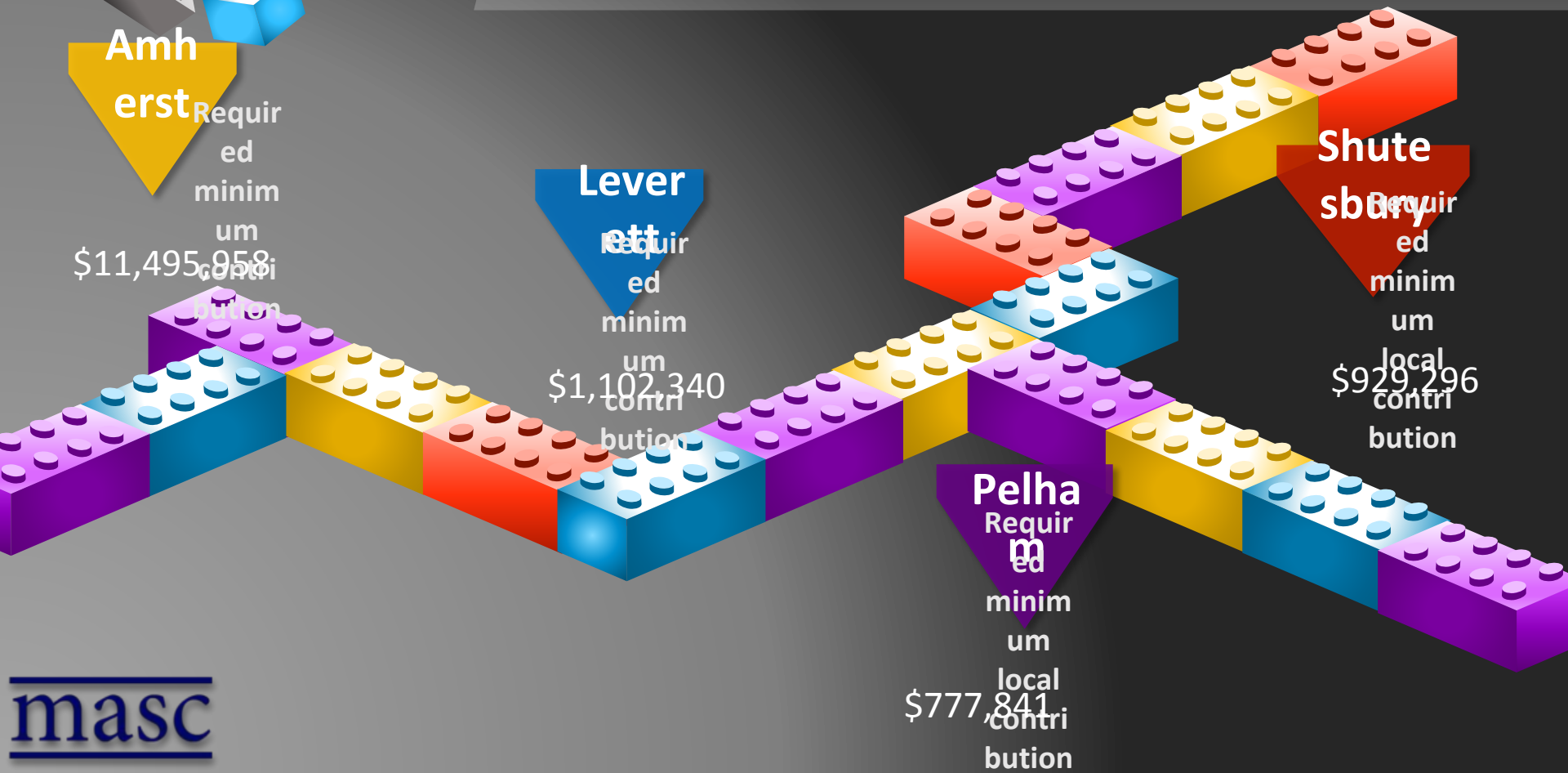
# Shutesbury: FY25

■ required local contribution (percent) ■ state foundation aid (percent)





# Putting the pieces together: FY25 local contribution

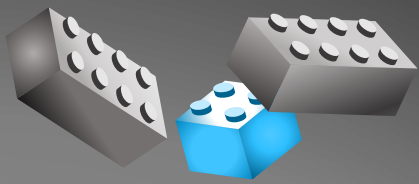


**Amherst**  
Required minimum contribution  
\$11,495,958

**Leverett**  
Required minimum contribution  
\$1,102,340

**Pelham**  
Required minimum local contribution  
\$777,841

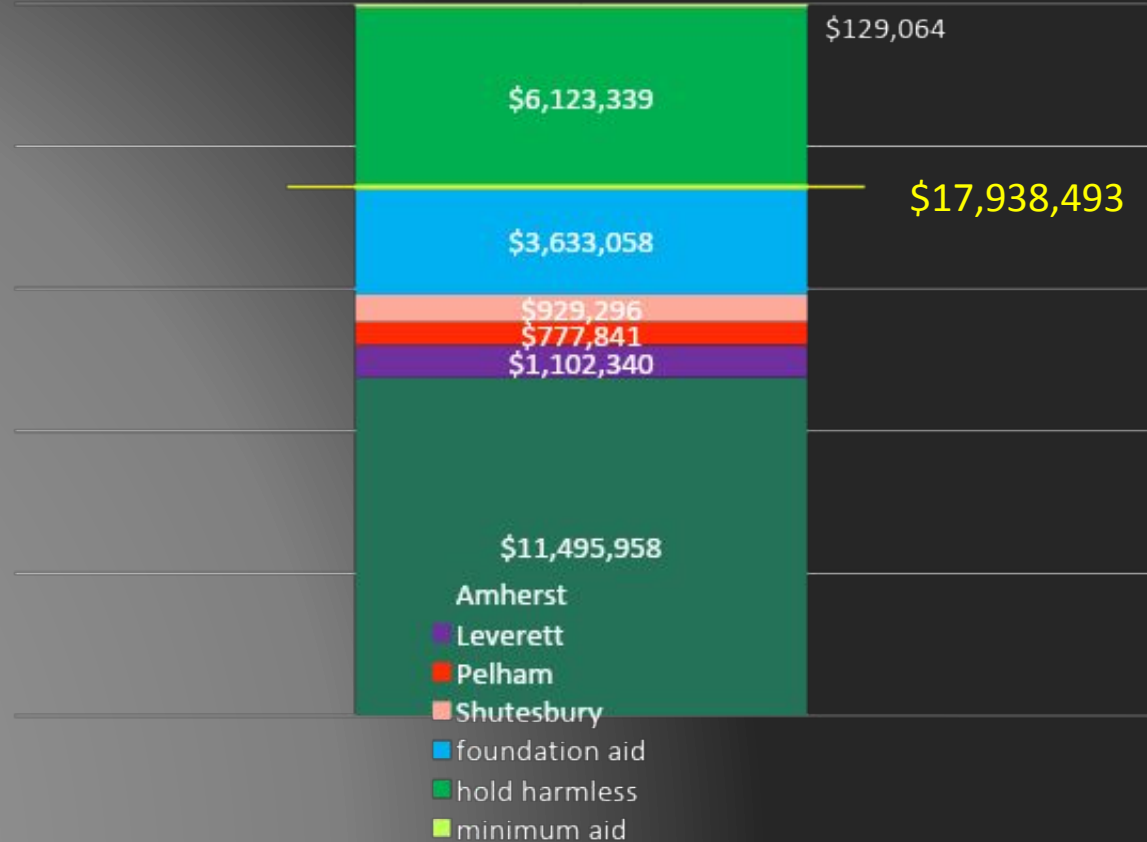
**Shutesbury**  
Required minimum local contribution  
\$929,296



# Getting to FY25 required spending

The state begins with the local contributions, and then fills in the gap between that and the foundation budget total with foundation aid from the state.

In FY25, this will include hold harmless and minimum aid for both Amherst and for the regional district.

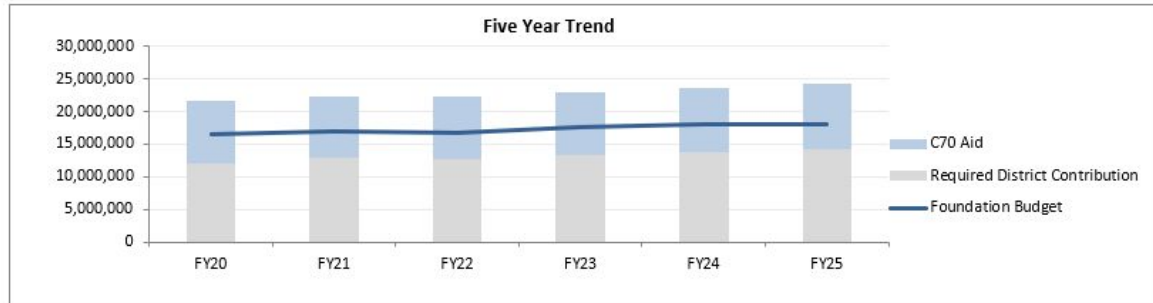


## Aid Calculation FY25

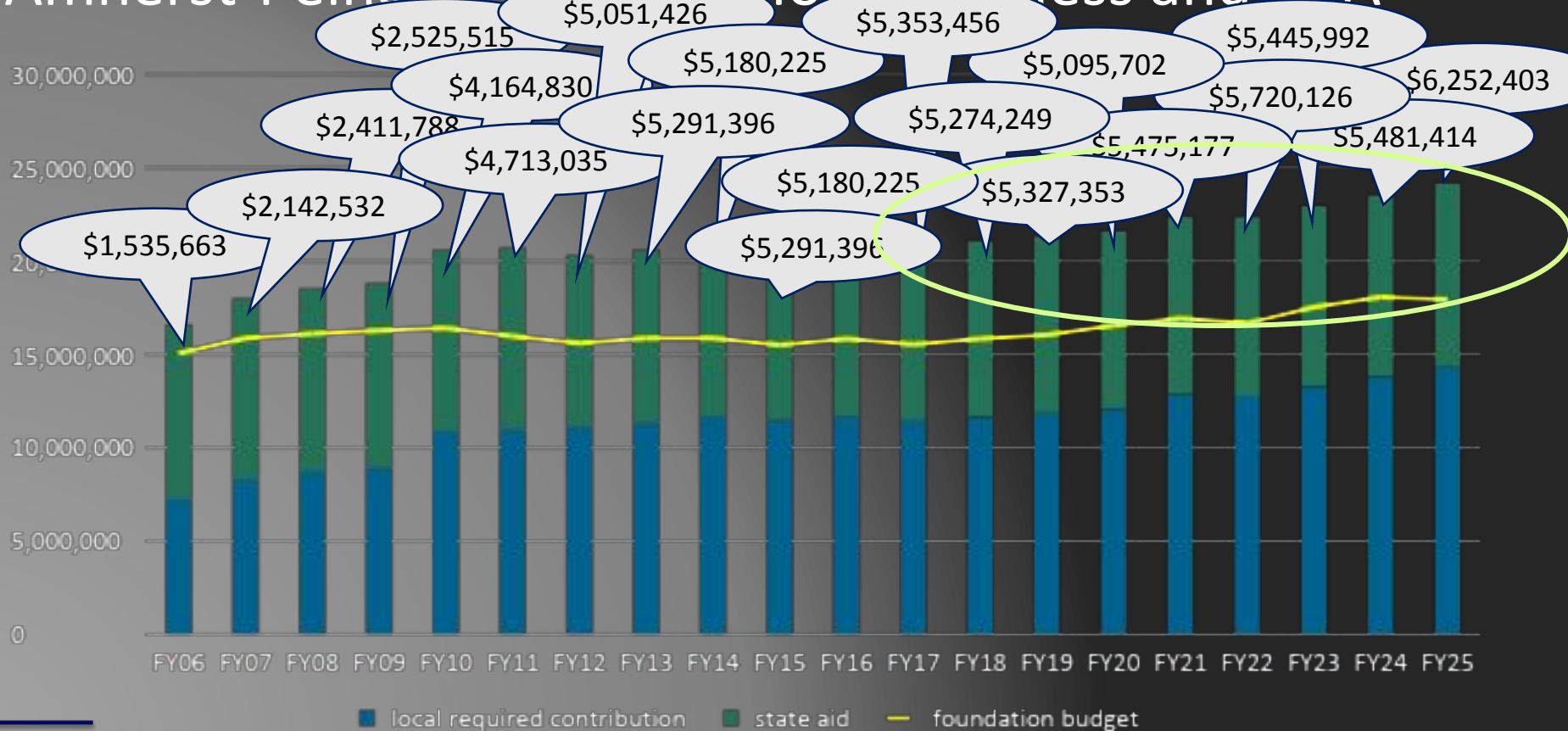
<b>Prior Year Aid</b>		
1 Chapter 70 FY24		<b>9,756,397</b>
<b>Foundation Aid</b>		
2 Foundation budget FY25	17,938,493	
3 Required district contribution FY25	14,305,435	
4 Foundation aid (2 -3)	3,633,058	
5 Increase over FY24 (4 - 1)		<b>0</b>
<b>Minimum Aid</b>		
6 Minimum \$104 per pupil increase	129,064	
7 Minimum aid amount (if line 6 - line 5 > 0, then line 6 - line 5, otherwise 0)		<b>129,064</b>
<b>Subtotal</b>		
8 Sum of 1,5,7		<b>9,885,461</b>
10 Aid adjustment increment (if line 9 - line 8 > 0, then line 9 - line 8, otherwise 0)		
<b>Non-Operating District Reduction to Foundation</b>		
11 Reduction to foundation		<b>0</b>
<b>Hold Harmless Aid</b>		
12 Hold harmless aid		<b>0</b>
<b>FY25 Chapter 70 Aid</b>		
13 Sum of 1,5,7,10, 12 minus 11		<b>9,885,461</b>

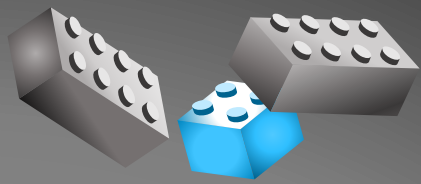
## Comparison to FY24

	FY24	FY25	Change	Pct Chg
Enrollment	1,274	1,241	-33	-2.59%
Foundation budget	18,078,526	17,938,493	-140,033	-0.77%
Required district contribution	13,803,543	14,305,435	501,892	3.64%
Chapter 70 aid	<b>9,756,397</b>	<b>9,885,461</b>	129,064	1.32%
Required net school spending (NSS)	23,559,940	24,190,896	630,956	2.68%
Target aid share	20.37%	18.74%		
C70 % of foundation	53.97%	55.11%		
Required NSS % of foundation	130.32%	<b>134.85%</b>		



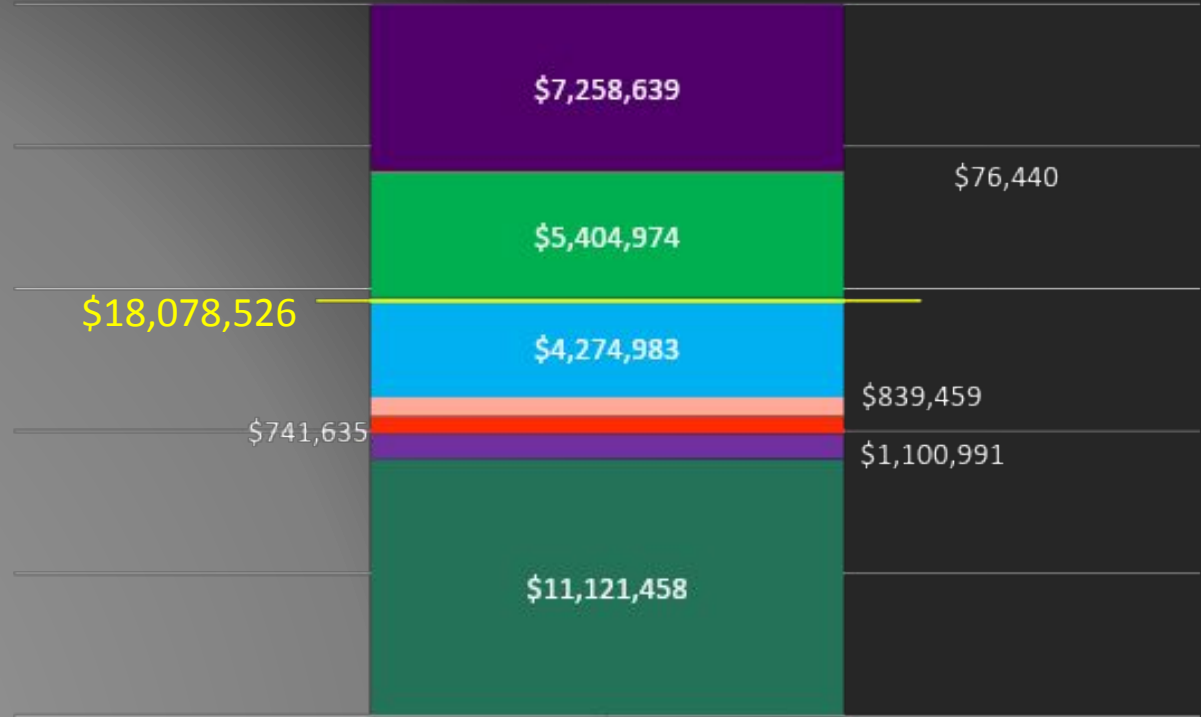
# Amherst-Pelham Regional: Hold harmless and SOA





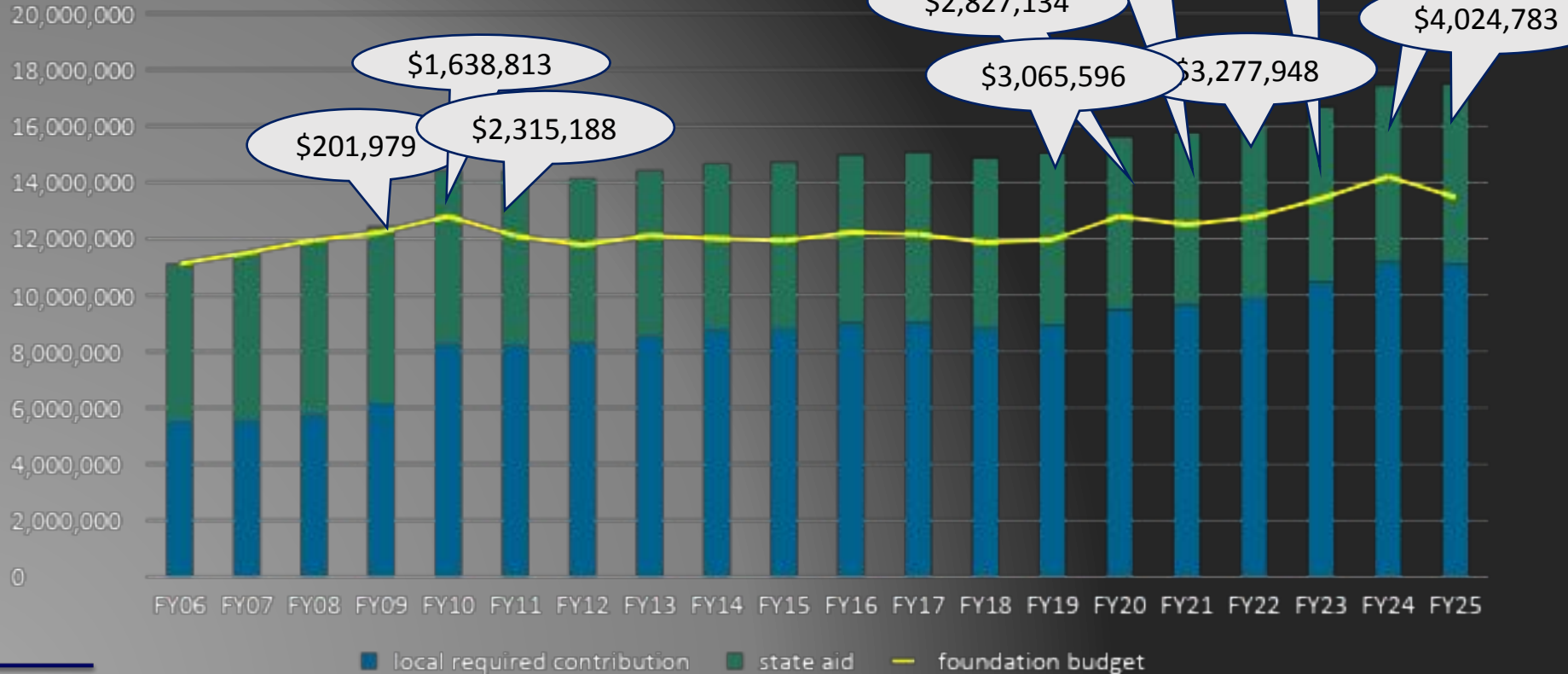
# How it all comes together: FY24

Taking a look back at FY24, we can see the local required contributions, the hold harmless funding, the \$60 per pupil increase, and the additional local contribution (above minimum) coming together.



- Amherst
- Leverett
- Pelham
- Shutesbury

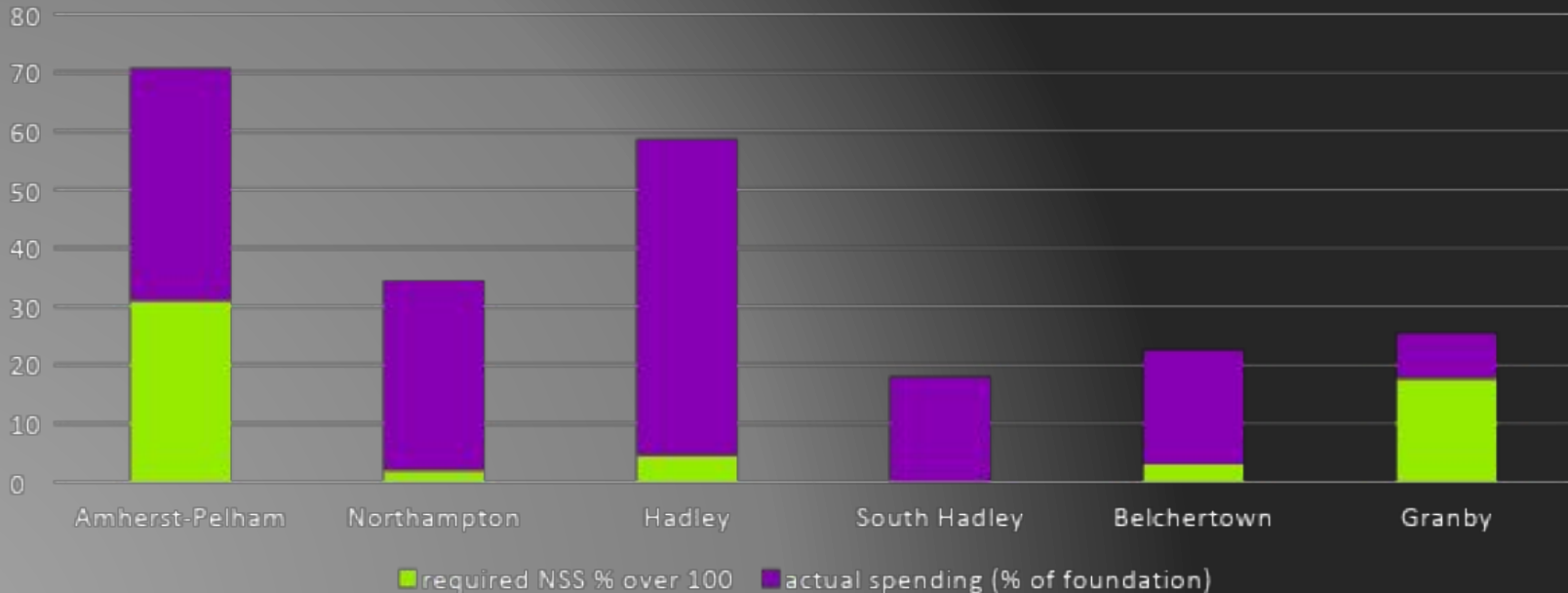
# Amherst: Hold Harmless and SOA



# Comparison with districts in the area: FY23

On this chart: Purple = percentage of state aid OVER the “fair and adequate minimum”

Green = percentage of local funding over foundation + above, as applicable



# Budget cycle questions

- Timelines vary across the state, subject to town meeting requirements and regional agreements. The state budget is always January to June.
- The budget is under school committee purview by cost center. The committee determines the amount in each cost center; how funding is then allocated under that is under administrative purview.
- Budgeting should begin with district goals and spending should reflect those goals





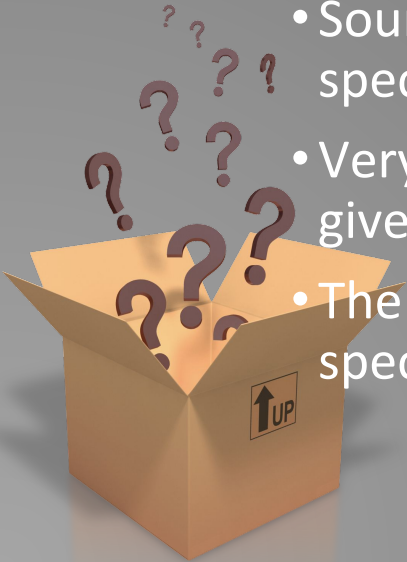
# District budgeting best practices and information

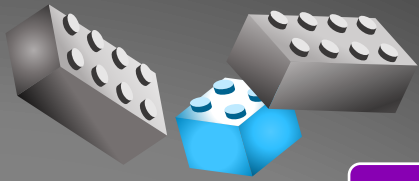
- ASBO's Meritorious Budget Award
- 75+% of any district budget is staff. That is true in every school district
- Very few costs don't scale with enrollment; even administration, given a large enough district, needs to scale up.
- The biggest cost increases right now across the state are coming in special education and in transportation.
- Comparisons with other districts are best done with like districts based on demographics (including local revenue) and by EoY report by the chart of accounts.



# Revenue questions not addressed above

- SOA is continuing to be implemented for two more years; Title I continues to be funded.
- The impact of the end of ESSER, and the ensuing question of how best to grapple with it, depends entirely on what ESSER funded in a district.
- Sources of government capital funding are the MSBA, other very specific state grants, and likewise very specific federal grants.
- Very few costs don't scale with enrollment; even administration, given a large enough district, needs to scale up.
- The biggest cost increases right now across the state are coming in special education and in transportation.





# *Discussions for the future*

Revenue sources: how much from where?

Shared understanding of Chapter 70

Considering area picture

State reimbursement lines

Rural aid

Relationship of spending to revenue



Questions?

**Tracy Novick**

**Field Director**

**MASC**

**[tnovick@masc.org](mailto:tnovick@masc.org)**

**508-579-5472**