The presentation of the 2020-2021 district school budget went well with the major concern being the vast difference in town assessments under the statutory method. (Budget details online at the grsd.org homepage budget link, or at https://www.cleargov.com/massachusetts/school/gateway/2021/native/expenditures)

Preliminary assessments based upon the Governor’s Budget show that town assessments will vary from a minus 4% (Middlefield) to a positive 11% (Montgomery). These numbers are driven by two factors – the minimum contribution set by the state and the percentage of students in the district. Under the newly reformed school aid statute (Chapter 70) known as the Student Opportunity Act (or SOA), roughly 35% of the state’s school districts received 85% of the additional funding while the majority of schools received a minimum increase of $30 per student (this includes Gateway’s increase in state aid of approximately $25,000).

However, as part of this reform, additional changes in minimum contributions were determined. This drove up Montgomery’s minimum amount by 10.27% and drove down Middlefield’s by 5.36%. These changes, coupled with a difference in student enrollment by town (which drives the above minimum and non-foundation assessment amounts), resulted in the significant changes in town assessments. This may be most evident in Montgomery, as their student percentage changed significantly (7.6% to 8.2%) even though they only added four new students, whereas in Russell, a loss of 17 students reduced their percentage from 26.6% to 25.2% (these student changes are from March 1, 2019, to the January 1, 2020 census and may change at the March 1, 2020 census, on which the actual town assessments are based). These changes in student percentages would cause Montgomery’s above minimum and non-foundation budget to increase $43,124 and Russell’s to drop by $8,626. Even a small change in the number of students can have a significant impact on town assessments year over year.

These drastic changes, both the state-mandated minimums and student-driven above minimum and non-foundation, were one of the reasons it was suggested, and the state agreed, that we use an alternative assessment method that would even out assessments based solely upon the increase in the district’s budget. This means in some years, towns may pay more under the alternative assessment than the statutory, while in other years, those towns may save money, as we have all seen. The problem is that the towns can’t change their mind each year based upon whether the alternative saves money or costs more to an individual town as this method requires a unanimous vote by all six towns each year. Some towns have voted to spend more money under the alternative method each year with the thought that over time this will prove beneficial to both the town and the district. Others have saved money each year under the alternative method, knowing that they’ve made out well. Others have had mixed results, saving money some years (and thereby voting for the alternative) and others voting against the alternative when it would cost them additional money. In the end, this can’t be decided just for an individual town, rather we need to think in terms of all six towns and the district. We know the benefits of the alternative assessment – it allows towns to plan their expenditures for education with a degree of certainty, it doesn’t penalize towns for increasing their populations when families with children buy houses in a town, it evens out the swings in assessments from year to year, and it makes for a more realistic assessment as it also, to some degree, takes the swings out of changes in minimum contributions. I’m not sure which method the school committee will use initially for determining town assessments this year, but I can say that an increase of $102,753 in one year for the Montgomery, or $228,751 for Huntington, is certainly a major impact on town financials compared to an increase under the alternative method of $38,568 or $118,323, especially when those large increases can’t be simply attributed to the increase in the school budget.