



CITY & TOWN

Frederick A. Laskey, Commissioner
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Exchange of Ideas

written by Jean McCarthy

Betty Ressel, the manager of the Texas School Performance Review (TSPR), recently visited the Division of Local Services (DLS) to exchange ideas and compare methods of performing school district audits with Dieter Wahl, Chief of the Education Audit Bureau, and his staff. Ms. Ressel brought copies of the audit reports completed under her leadership. The "Texas-sized" reports average 500 pages. She has a small staff and relies on contractors to complete the school district audits under her leadership. Her office has been nationally recognized for the quality of those performance reviews. Although the state of Texas has over a thousand independent school districts, TSPR has been auditing only six districts per year, concentrating on quality rather than quantity. Plans include expanding to 10 audits next year with an eventual goal of 20 per year. Since the Texas audits have begun, TSPR has reviewed approximately 30 school districts. The TSPR team returns to each reviewed district 12-18 months later to prepare and release a progress report on the district's implementation of recommendations. Massachusetts' Bureau of Education Audit, under the direction of the Governor's Education Management Accountability Board, has been averaging 10 audits per year with a total staff of 12. They have completed 19 audits since 1997.

TSPR was the nation's first state-level program designed to improve the management and finances of individual public school districts. Instituted in 1991 the TSPR, like the Division of Local Service's Education Audit Bureau, is an independent auditing agency totally separate from the Department of Edu-

cation, entrusted with the responsibility for auditing local school systems. TSPR works under the auspices of the Texas Comptroller of Public Accounts, an agency that blends the duties of the Massachusetts Department of Revenue and the State Comptroller's office. Unlike TSPR, DLS Education Audits are now performed in conjunction with the Department of Education, although each department looks at different aspects of a school district and writes its own sections of the final report.

The goal is improving student achievement.

Like the Massachusetts teams, TSPR conducts an intense on-site review of each audited district lasting two to three weeks. Texas, however, usually has a staff of 20, while DLS normally has 3 auditors per district. With a large budget, the TSPR is able to hire consultants with specific expertise. Massachusetts relies on in-house staff. Both seek input from teachers and other staff through mailed surveys, and conduct interviews with key school district personnel. TSPR also interviews parents and students. Common problems found in both states are conflicts between school boards and superintendents, management issues versus policy issues, and curriculum development.

Texas has instituted mandatory testing with high school graduation linked to successful completion of the 10th grade Texas Assessment of Academic Skills (TAAS). In audited districts, scores on the TAAS have increased more than the statewide average gains. An inter-

esting component of the Texas protocol is an emphasis on cost saving suggestions for local districts. The TSPR has a stated goal of delivering more of every education dollar into classrooms, and audited districts have saved more than \$94 million.

The most important goal for both agencies is improvement in student achievement. Both states try to accent the positive by identifying exemplary programs and highlighting "best practices" from past reviews to share with other school districts. The DLS Education Audit Bureau has published its findings in a document known as *First Findings — Summary Report of the First 19 Audits*, which is available on the DLS website along with copies of the reports of all school district audits completed to date. The address is www.state.ma.us/dls. The TSPR audits are available on the Texas Comptroller's website at www.window.state.tx.us. ■

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LEGAL

in Our Opinion

School Impact Fee Invalidated

In 1995 the Franklin Town Council enacted a bylaw which imposed a school impact fee on new development. The town has grown considerably in the past several years with the resulting need to provide for additional students in the school system. The new bylaw provided that occupancy permits would no longer be issued for any new or expanded residential structure unless the impact fee was paid. All funds collected were to be set aside exclusively for school construction projects. As soon as the bylaw went into effect, a group of real estate developers filed suit in Superior Court to invalidate the fees as an unlawful tax. The court ruled in favor of the developers and the town appealed. In an important decision this summer, the Appeals Court agreed with the Superior Court, holding that the school impact fee was illegal. The case is *Greater Franklin Developers Association, Inc. v. Town of Franklin*.¹

Impact fees have been discussed for many years. Proponents argue that impact fees are merely an assessment on developers to enable a community to meet some of the direct costs of development such as roads, schools and other capital improvements. Impact fees differ from general property taxes that are based on the value of the property and the applicable classified tax rate. Impact fees are also unlike betterments or special assessments. Betterments are assessed on parcels within a specific area to reimburse the community for expenses incurred in making public improvements (e.g., water or sewer service) which specifically benefit those parcels. By definition, a betterment is a special tax which is imposed when a parcel's value is increased due to the construction of an improvement. Impact fees, however, are imposed be-

fore any particular public improvement has been constructed. At issue in the *Franklin* case was whether the school impact fee was a valid municipal fee or an impermissible tax.

The Appeals Court in *Franklin* recognized that cities and towns in Massachusetts do not have the inherent power to tax. Under the State Constitution, cities and towns can tax only to the extent permitted by the Legislature.² There is an additional state constitutional requirement that all taxes be proportional, whether they are general or special taxes. The Legislature had not authorized the Town of Franklin to tax. The Appeals Court was asked to determine whether the action taken by the Franklin Town Council was a reasonable fee, permissible under the Commonwealth's home rule amendment.

In the landmark case of *Emerson College v. Boston*, the Supreme Judicial Court invalidated a City of Boston fire protection services fee as an unlawful tax.³ In *Emerson*, the court used a three-part test to determine whether the charge was a fee. First, the charge must be imposed in exchange for a particularized governmental service that benefits the party paying the fee in a manner not shared by other members of society. Second, the charge must be voluntary in nature in that the party paying the fee has the choice of not using the governmental service and thereby avoiding the fee. Third, the charges must be used to offset the cost of providing the governmental service rather than imposed to raise revenue. The Appeals Court used the three-part test in *Emerson* to determine whether the Franklin school impact charge was a fee rather than a tax.

The Appeals Court first observed that the benefit of expanded school facilities was not conferred exclusively on those paying the fee. In the Appeals Court's

view, the entire Franklin community benefited from new schools. In the absence of a particularized benefit, the Appeals Court held that the Town of Franklin did not satisfy the first *Emerson* test.

In examining the nature of the charge, the Appeals Court in *Franklin* recognized that payment of the impact fee was a matter of choice and was not compulsory. Owners in the Town of Franklin were not forced to develop their land. Prospective buyers could purchase property elsewhere and avoid the charge. The Appeals Court stated, however, that the lower court judge had correctly determined that this factor is not conclusive.

The Appeals Court then inquired whether the charge was intended to offset the cost of the service or was merely a revenue raising device. In the court's view, the Town of Franklin had an obligation to provide free education out of the general tax levy. In the case at hand, the Town of Franklin had improperly categorized education as a special service in much the same way as the City of Boston had categorized fire protection in *Emerson*. According to the court, this situation was also similar to that presented in the New Jersey court decision of *Daniels v. Point Pleasant*.⁴ In *Daniels*, the New Jersey court had invalidated an ordinance that increased the fees for building permits to defray increased school costs due to new development. In the Appeals Court's view, the intent of the Franklin bylaw was to pass school costs associated with development solely onto the new people buying homes in the community. For this reason, the Franklin bylaw did not meet the third *Emerson* test.

Under the facts presented, the Appeals Court concluded that the Franklin school impact fee was an impermissible

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FOCUS

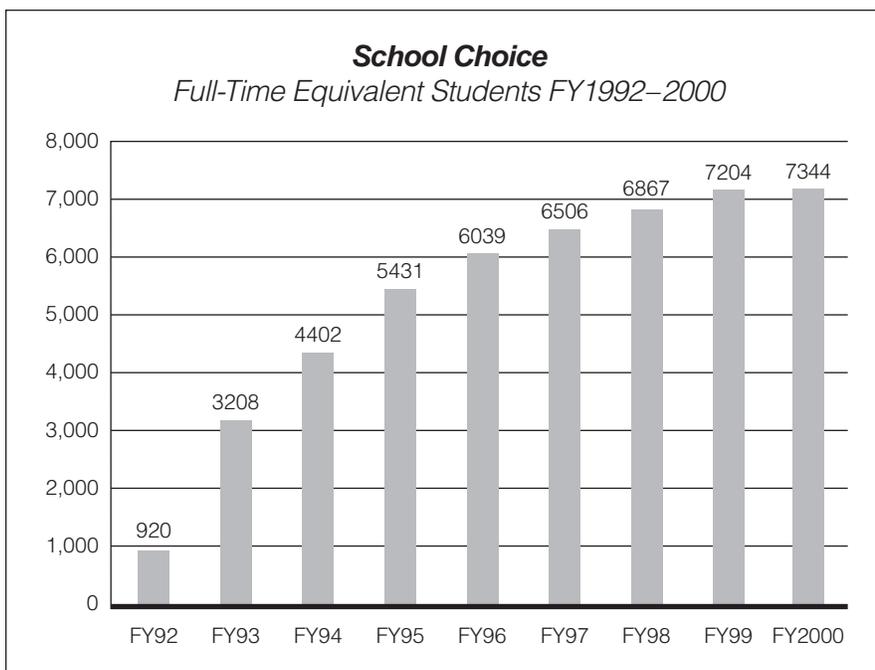
on Municipal Finance

School Choice

The June issue of *City and Town* included an article on the Charter School Program, which was established as part of the Education Reform Act of 1993. This month we focus on another education alternative, the School Choice Program. School Choice allows parents to send their children to participating schools in communities other than the city or town in which they reside. All sending districts are required to pay tuition to the receiving districts. Participation is voluntary and districts may elect not to take part in the program. For FY2000, 199 local school systems and 63 regional school districts are sending and receiving students in the School Choice Program.

Figure 1 shows the increases in full-time equivalent (FTE) students, since the inception of the program. Figure 2 shows tuition assessments from FY1992 through FY2000. When the School Choice program began in FY1992,

Figure 1



there were 920 students with a total tuition assessment of \$4,852,296. In FY2000, the total number of FTE students has increased to 7,344, and total assessments have increased to \$36,373,827.

FTE Analysis

According to Department of Education (DOE) data, 123 local districts sent students to other districts, but did not receive any students. Only 28 local districts sent more than 10 students, with three of those districts sending more than 100: Brockton (164.1), Lawrence (108.5) and Worcester (134.1). Four local districts received students but did not send any FTEs: Avon (199.5), Longmeadow (98.7), Wales (7.9) and Westport (9.3). FTE numbers represent full-time equivalent students rather than enrollment. They include both half-day and full-time students.

Many of the local districts both sent and received students. Of those local

districts, 43 received more students than they sent, and 30 sent more than they received. Fourteen communities had net gains of more than 50 FTEs, with four gaining more than 100 students. Holliston (188.6) had the highest net gain followed by Newburyport (159.5), Manchester (114.3) and Granby (100). Of the eight districts with net losses of more than 50 students, Springfield showed the biggest net loss of students (-259.3) followed by Leominster (-238.9), Pittsfield (-132.4) and Douglas (-90.4).

In FY2000, three regional school districts (RSD) received students without sending any: Minuteman (240.2), Pathfinder (34.8) and Upisland (4.0). Twenty RSDs sent students without receiving any, but only six sent more than 10 students. Athol Royalston (51.2), Narragansett (50.9) and Wachusett (62.6) sent the highest number of students. Forty RSDs both sent and received students with 23 RSDs receiving more students than they sent. Four RSDs had net gains of over 100 students: Acton-Boxborough (116.4), Hamilton-Wenham (203.8), Quabbin (140.6) and Whittier (295). Of the 17 RSDs that sent more than they received, only one had a net loss of more than 100 students, Greater Lawrence (301.0).

Table 1 shows the number of FTEs received and FTEs sent, the amount of tuition received and tuition sent, and the budgeted FY2000 net school spending for all local and regional school districts. Net school spending refers to school committee expenditures and specific indirect costs appearing in the municipal budget such as teacher's health insurance and school liability insurance. It excludes long-term debt service, student transportation, school lunches and certain other specified school expenditures.

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FY2000 School Choice Program

School district	Reg. FTE	Sending FTE	Reg. tuition	Sending tuition	Budgeted net school spending	School district	Reg. FTE	Sending FTE	Reg. tuition	Sending tuition	Budgeted net school spending	School district	Reg. FTE	Sending FTE	Reg. tuition	Sending tuition	Budgeted net school spending
Abrington	0.0	0.0	0.0	0.0	13,875	Chesterfield	0.0	0.0	0.0	0.0	158	Hancock	6.0	6.0	26	30	693
Action	3.0	8.3	14,085	0.0	0.0	Chicopee	0.0	38.6	0.0	142	53,222	Hanover	0.0	0.0	0.0	0.0	16,291
Acushnet	0.0	0.0	0.0	0.0	7,977	Chilmark	0.0	0.0	0.0	0.0	0.0	Hansen	0.0	0.0	0.0	0.0	703
Adams	0.0	0.0	0.0	0.0	0.0	Clarksburg	0.0	5.4	0.0	33	1,741	Hardwick	0.0	0.0	0.0	0.0	3
Agawam	28.4	17.1	138	84	27,454	Clinton	75.3	89.4	377	468	13,812	Harvard	101.0	11.2	464	48	7,604
Alford	0.0	0.0	0.0	0.0	0.0	Cohasset	0.0	0.0	0.0	0.0	9,543	Harwich	39.7	59.3	218	436	11,715
Amesbury	120.4	153.9	574	715	18,684	Colrain	0.0	0.0	0.0	0.0	3,403	Hatfield	0.0	8.6	0.0	43	3,403
Amherst	0.0	2.8	0.0	11	14,260	Concord	0.0	1.5	0.0	8	16,785	Haverhill	88.2	99.3	378	515	53,708
Andover	0.0	0.1	0.0	1	39,644	Conway	0.0	0.5	0.0	2	1,204	Hawley	0.0	0.0	0.0	0.0	20
Aquinnah	0.0	0.0	0.0	0.0	0.0	Cummington	0.0	0.0	0.0	0.0	110	Heath	0.0	0.0	0.0	0.0	6
Arlington	0.0	2.0	0.0	14	32,816	Dalton	0.0	0.0	0.0	0.0	0.0	Hingham	0.0	0.0	0.0	0.0	23,143
Ashtaburham	0.0	0.0	0.0	0.0	0.0	Danvers	1.0	11.2	4	67	25,568	Hinsdale	0.0	0.0	0.0	0.0	72
Ashby	0.0	0.0	0.0	0.0	0.0	Dartmouth	0.0	1.0	0.0	4	23,128	Holbrook	0.0	6.7	0.0	27	9,465
Ashfield	0.0	0.0	0.0	0.0	233	Deerfield	0.0	2.0	0.0	14	23,887	Holden	0.0	0.0	0.0	0.0	357
Ashland	54.7	20.5	306	90	15,273	Deerfield	5.7	2.2	19	9	2,626	Holland	0.0	1.0	0.0	12	1,646
Athol	0.0	0.0	0.0	0.0	0.0	Dennis	0.0	0.0	0.0	0.0	58	Holliston	198.9	10.3	944	54	19,180
Attleboro	0.0	1.1	0.0	3	39,227	Dighton	0.0	0.0	0.0	0.0	3	Holyoke	0.0	24.8	0.0	122	63,091
Auburn	0.0	0.4	0.0	2	15,058	Douglas	12.6	103.0	50	459	7,399	Hopedale	99.8	101.4	468	445	6,887
Avon	199.5	0.0	930	0	5,040	Dover	0.0	0.0	0.0	0.0	4,404	Hopkinton	19.5	38.0	81	173	16,424
Ayer	188.3	89.1	984	405	9,257	Dracut	38.3	11.5	163	49	24,204	Hubbardston	0.0	0.0	0.0	0.0	8
Barnstable	30.4	37.7	129	204	42,402	Dudley	0.0	0.0	0.0	0.0	0.0	Hudson	92.4	50.5	424	330	17,663
Barre	0.0	0.0	0.0	0.0	10	Dunstable	0.0	0.0	0.0	0.0	0.0	Hull	0.0	0.0	0.0	0.0	11,277
Becket	0.0	4.2	0.0	28	138	Duxbury	0.0	0.0	0.0	0.0	19,358	Huntington	0.0	0.0	0.0	0.0	0.0
Bedford	0.0	2.0	0.0	11	18,645	E. Bridgewater	0.0	1.0	0.0	5	14,840	Ipswich	55.8	32.9	238	178	12,104
Belchertown	0.0	20.2	0.0	83	13,604	E. Brookfield	0.0	0.0	0.0	0.0	0.0	Kingston	0.0	1.0	0.0	4	6,329
Bellingham	0.0	56.6	0.0	259	15,931	E. Longmeadow	39.3	7.5	181	34	16,935	Lakeville	0.0	0.5	0.0	2	3,709
Belmont	0.0	0.7	0.0	3	24,456	Eastham	0.0	4.0	0.0	19	2,725	Lancaster	0.0	0.0	0.0	0.0	0.0
Berkley	0.0	12.8	0.0	77	6,021	Easthampton	14.9	61.6	67	318	13,490	Lanesborough	10.8	7.0	42	28	1,969
Berlin	20.0	4.0	84	21	1,590	Easton	0.0	1.6	0.0	5	20,611	Lawrence	0.0	108.5	0.0	495	95,088
Beverly	0.0	0.0	0.0	0.0	1	Edgartown	0.0	0.0	0.0	0.0	3,976	Lee	84.8	70.8	492	431	6,361
Beverly	48.0	95.6	214	531	32,922	Egmont	0.0	0.0	0.0	0.0	0.0	Leicester	0.0	0.0	0.0	0.0	12,056
Billerica	0.0	2.4	0.0	10	38,915	Erving	0.0	2.0	0.0	9	2,040	Leicester	110.6	26.3	618	134	6,797
Blackstone	0.0	0.0	0.0	0.0	713	Essex	5.5	81.8	24	416	3,472	Leominster	26.5	25.4	117	2,444	41,081
Blackford	0.0	0.0	0.0	0.0	0.0	Everett	0.0	9.4	0.0	46	34,506	Leverett	0.0	0.8	0.0	3	1,113
Boston	0.0	0.0	0.0	0.0	0.0	Fairhaven	0.0	0.0	0.0	0.0	14,151	Lexington	0.0	1.2	0.0	5	49,974
Boston	0.0	29.2	0.0	162	556,706	Fall River	0.0	15.8	0.0	87	89,088	Leyden	0.0	0.0	0.0	0.0	0.0
Bourne	0.0	4.0	0.0	19	14,718	Falmouth	0.0	1.0	0.0	4	31,323	Lincoln	0.0	0.0	0.0	0.0	6,091
Boxborough	0.0	3.7	0.0	14	3,452	Fitchburg	136.6	187.6	555	782	39,394	Littleton	56.0	28.6	251	128	8,996
Boxford	0.0	0.0	0.0	0.0	5,665	Florida	0.0	1.0	0.0	5	1,023	Longmeadow	98.7	0.0	523	0	21,481
Boylston	0.0	0.0	0.0	0.0	2,329	Foxborough	0.0	0.6	0.0	2	20,196	Lowell	0.0	68.4	0.0	286	118,824
Braintree	0.0	1.0	0.0	3	32,772	Framingham	0.0	55.6	0.0	282	66,581	Ludlow	35.0	28.9	148	131	19,201
Brewster	0.0	6.8	0.0	28	4,882	Franklin	0.0	40.8	0.0	205	36,704	Lunenburg	104.0	38.8	385	164	10,393
Bridgewater	0.0	0.0	0.0	0.0	238	Freestown	0.0	0.0	0.0	0.0	3,811	Lynn	0.0	55.6	0.0	311	102,583
Brimfield	0.0	2.0	0.0	9	2,285	Gardner	98.3	47.2	353	204	18,159	Lynnfield	0.0	1.0	0.0	4	13,065
Brockton	0.0	164.1	0.0	774	115,915	Georgetown	43.7	31.4	257	124	8,282	Malden	0.0	2.0	0.0	54	43,830
Brookfield	14.1	4.0	67	14	2,241	Gill	0.0	0.0	0.0	0.0	10	Manchester	121.8	7.5	747	36	6,387
Brookline	0.0	0.0	0.0	0.0	54,848	Gloucester	66.7	129.1	272	679	27,701	Mansfield	0.0	0.9	0.0	8	25,370
Buckland	0.0	0.0	0.0	0.0	12	Goshen	0.0	0.0	0.0	0.0	195	Marblehead	37.2	3.0	212	16	20,632
Burlington	0.0	1.4	0.0	5	27,433	Gosnold	0.0	0.0	0.0	0.0	113	Marion	0.0	0.0	0.0	0.0	3,526
Cambridge	0.0	5.0	0.0	31	98,117	Grafton	0.0	17.4	0.0	83	12,746	Marlborough	0.0	65.4	0.0	318	34,991
Canton	0.0	0.0	0.0	0.0	20,655	Granby	104.0	4.0	420	76	5,731	Marshfield	0.0	0.0	0.0	0.0	26,456
Carlisle	0.0	1.4	0.0	5	6,225	Granville	0.0	1.0	0.0	6	1,819	Mashpee	0.0	5.9	0.0	25	12,989
Carver	0.0	0.0	0.0	0.0	14,214	Grt. Barrington	0.0	0.0	0.0	0.0	0.0	Mattapoisett	0.0	0.0	0.0	0.0	4,000
Charmont	0.0	0.0	0.0	0.0	118	Greenfield	28.4	41.9	123	242	16,977	Maynard	36.5	50.7	171	269	10,584
Charlton	0.0	0.0	0.0	0.0	0.0	Groton	0.0	0.0	0.0	0.0	0.0	Medfield	0.0	3.5	0.0	13	15,265
Chatham	88.6	16.5	673	86	6,127	Groveland	0.0	0.0	0.0	0.0	0.0	Medford	0.0	68.8	0.0	386	43,388
Chelmsford	0.0	21.0	0.0	84	36,602	Hadley	0.0	18.6	0.0	93	4,275	Medway	38.3	43.8	178	194	16,379
Chelsea	0.0	1.4	0.0	6	42,650	Halifax	0.0	0.0	0.0	0.0	4,034	Melrose	0.0	0.0	0.0	0.0	24,004
Cheshire	0.0	0.0	0.0	0.0	257	Hamilton	0.0	0.0	0.0	0.0	0.0	Mendon	0.0	0.0	0.0	0.0	0.0
Chester	0.0	0.0	0.0	0.0	0.0	Hampden	0.0	0.0	0.0	0.0	0.0	Merrimac	0.0	0.0	0.0	0.0	0.0

School district	Regv. FTE	Sending FTE	Regv. tuition	Sending tuition	Budgeted net school spending	School district	Regv. FTE	Sending FTE	Regv. tuition	Sending tuition	Budgeted net school spending	School district	Regv. FTE	Sending FTE	Regv. tuition	Sending tuition	Budgeted net school spending
Princeton	0.0	0.0	0	0	0	Tyngsborough	32.0	16.8	124	69	12,030	Blackstone Valley	0.0	0.0	0	0	9,147
Provincetown	31.4	5.8	262	28	3,684	Tyringham	0.0	5.4	0	32	334	Blue Hills	0.0	0.0	0	0	9,492
Quincy	0.0	0.0	0	0	61,978	Upton	0.0	0.0	0	0	0	Bridgewater Raynham	0.0	0.0	0	0	3,905
Randolph	0.0	16.6	0	75	27,519	Uxbridge	115.7	45.5	533	187	12,722	Bristol County	0.0	10.9	0	0	71
Raynham	0.0	0.0	0	0	7	Wakefield	0.0	1.0	0	5	24,439	Bristol Plymouth	0.0	0.0	0	0	4,201
Reading	0.0	0.0	0	0	26,899	Wales	7.9	0.0	35	0	1,149	Cape Cod	0.0	0.0	0	0	6,559
Rehoboth	0.0	0.0	0	0	13	Walpole	0.0	0.0	0	0	22,083	Central Berkshire	84.5	60.4	382	376	15,714
Revere	0.0	3.0	147	11	883	Walham	0.0	37.5	0	233	51,730	Chesterfield Goshen	1.0	26.5	4	112	1,131
Richmond	0.0	3.5	0	16	1,877	Ware	9.1	82.7	31	325	9,003	Concord Carlisle	0.0	4.0	0	18	10,762
Rochester	0.0	0.0	0	0	2,966	Wareham	3.0	1.2	17	4	22,710	Dennis Yarmouth	59.0	48.5	292	325	29,624
Rockland	0.0	0.0	0	0	18,086	Warren	0.0	0.0	0	0	0	Dighton Rehoboth	0.0	7.7	0	0	18,793
Rockport	53.9	67.1	285	307	6,880	Warwick	0.0	0.0	0	0	11	Dover Sherborn	0.0	1.5	0	14	8,852
Rove	19.0	3.0	147	11	883	Washington	0.0	0.0	0	0	17	Durley Charlton	0.0	3.1	0	13	21,012
Rowley	0.0	0.0	0	0	0	Watertown	0.0	1.0	0	5	25,306	Essex County	0.0	0.0	0	0	4,076
Rowleyton	0.0	0.0	0	0	0	Wayland	0.0	0.0	0	4	21,443	Farmington River	18.8	21.0	101	101	2,251
Russell	0.0	0.0	0	0	0	Webster	0.0	10.0	0	36	12,937	Franklin County	0.0	4.1	0	23	5,261
Rutland	0.0	0.0	0	0	0	Wellesley	0.0	1.0	0	5	32,428	Freetown Lakeville	0.0	8.7	0	38	11,019
Salem	0.0	64.4	0	327	36,857	Wellfleet	0.0	3.8	0	28	1,727	Frontier	16.3	19.2	189	93	5,316
Salisbury	0.0	0.0	0	0	0	Wendell	0.0	0.0	0	0	3	Gateway	17.5	78.9	128	361	11,998
Sandisfield	0.0	0.0	0	0	0	Wenham	0.0	0.0	0	0	0	Gill Montague	13.2	33.5	59	153	10,745
Sandwich	0.0	7.7	0	33	21,188	W. Boylston	80.0	4.0	316	19	6,538	Greater Fall River	0.0	0.0	0	0	11,290
Saugus	0.0	3.3	0	16	21,427	W. Bridgewater	0.0	0.0	0	0	7,197	Greater Lawrence	4.0	305.0	20	1,581	16,772
Savoy	2.0	13.0	10	49	763	W. Brookfield	0.0	0.0	0	0	0	Greater Lowell	9.0	42.4	45	235	20,425
Scituate	0.0	1.0	0	4	18,509	W. Newbury	0.0	0.0	0	0	0	Greater New Bedford	0.0	0.0	0	0	18,020
Seekonk	0.0	0.0	0	0	15,175	W. Springfield	0.0	9.3	0	30	25,726	Groton Dunstable	24.1	45.0	97	214	15,273
Sharon	0.0	0.9	0	5	21,640	W. Stockbridge	0.0	0.0	0	0	0	Hamilton Wenham	211.4	7.6	1,112	35	15,304
Shelfield	0.0	0.0	0	0	0	W. Tisbury	0.0	0.0	0	0	0	Hampden Wilbraham	86.0	5.9	417	37	22,119
Shelburne	0.0	0.0	0	0	0	Westborough	0.0	7.5	0	39	24,278	Hampshire	53.5	33.5	256	172	5,790
Shelburne	0.0	0.0	0	0	0	Westfield	20.2	52.8	78	261	41,149	Hawesmont	0.9	20.4	3	94	1,131
Shirley	86.1	85.8	326	418	5,534	Westford	62.0	16.0	245	78	24,140	King Philip	0.0	6.4	0	33	12,314
Shrewsbury	0.0	7.9	0	33	28,669	Westhampton	0.0	1.0	0	4	992	Lincoln Sudbury	0.0	4.0	0	23	12,036
Shutesbury	0.0	0.0	0	0	1,391	Westminster	0.0	0.0	0	0	0	Martha Vineyard	0.0	0.0	0	0	7,899
Somerset	0.0	0.3	0	1	19,276	Weston	0.0	0.0	0	0	20,304	Masconomet	0.0	5.0	0	23	11,910
Somerville	0.0	6.9	0	41	57,155	Westport	9.3	0.0	43	0	10,618	Mendon Upton	126.2	52.2	542	256	11,429
S. Hadley	14.1	46.6	48	227	15,379	Westwood	0.0	2.0	0	0	21,465	Minuteman	240.2	0.0	1,397	0	10,549
Southampton	0.0	3.0	0	10	3,160	Weymouth	0.0	0.0	0	10	43,110	Mohawk Trail	46.9	29.7	241	190	11,782
Southborough	0.0	3.0	0	13	8,607	Whately	0.0	3.9	23	11	920	Montachusett	41.8	7.0	215	38	10,564
Southbridge	0.0	3.5	0	15	17,012	Whitman	0.0	0.0	0	0	108	Mount Greylock	40.2	10.7	233	47	6,058
Southwick	0.0	0.0	0	0	0	Wilbraham	0.0	0.0	0	0	0	Narraansett	0.0	50.9	0	196	9,539
Spencer	0.0	0.0	0	0	846	Williamsburg	21.7	1.0	89	4	1,754	Nashoba	151.4	66.3	861	304	20,865
Springfield	17.0	276.3	99	1,394	201,463	Williamstown	46.0	1.0	216	4	3,509	Nashoba Valley	71.8	14.4	388	77	5,590
Sterling	0.0	0.0	0	0	0	Wilmington	0.0	1.0	0	5	22,379	Nauset	20.8	61.2	113	389	14,248
Stockbridge	0.0	0.0	0	0	0	Winchendon	20.7	42.3	78	157	11,908	New Salem Wendell	0.0	1.0	0	3	1,399
Stoneham	0.0	0.0	0	0	18,488	Winchester	0.0	0.0	0	0	24,927	Norfolk County	0.0	0.0	0	0	3,122
Stoughton	0.0	8.0	0	34	27,104	Windsor	0.0	0.0	0	0	31	North Middlesex	38.8	61.6	174	281	29,371
Stow	0.0	0.0	0	0	0	Winthrop	0.0	0.0	0	0	13,641	North Shore	25.5	3.0	149	16	5,251
Sturbridge	0.0	2.5	0	7	5,766	Woburn	0.0	1.0	0	4	33,715	Northampton Smith	0.0	0.0	0	0	2,193
Sudbury	0.0	5.0	0	21	18,361	Worcester	0.0	134.1	0	667	192,178	Northboro Southboro	0.0	7.2	0	35	8,119
Sunderland	12.9	1.0	37	2	1,670	Worthington	0.0	0.0	0	0	0	Northwest	40.0	109.4	200	624	12,391
Sutton	55.7	15.7	210	60	8,820	Wrentham	0.0	0.0	0	0	6,813	Northern Berkshire	0.0	0.0	0	0	4,579
Swampscott	0.0	6.0	0	29	15,637	Yarmouth	0.0	0.0	0	0	225	Old Colony	0.0	0.0	0	0	4,731
Swansea	0.0	0.0	0	0	13,685	Action Boxborough	131.2	14.8	728	72	16,717	Old Rochester	0.0	1.0	0	4	8,673
Taunton	64.6	8.4	349	37	50,729	Adams Cheshire	54.4	13.8	306	80	12,531	Old Colony	0.0	0.0	0	0	4,731
Templeton	0.0	0.0	0	0	3	Amherst Pelham	61.5	7.3	285	51	16,990	Pathfinder	34.8	0.0	184	0	5,194
Tewksbury	0.0	9.8	0	45	25,856	Ashburnham	48.1	48.9	200	201	15,637	Pentucket	77.4	53.9	328	246	19,318
Tisbury	0.0	3.0	0	15	3,533	Westminster	0.0	4.8	0	21	15,637	Pioneer	17.5	15.2	61	66	7,526
Tolland	0.0	0.0	0	0	0	Assabet Valley	0.0	4.8	0	28	8,455	Quabbin	163.9	23.3	789	88	19,328
Topsfield	0.0	1.8	0	24	4,143	Alton Royalston	0.0	51.2	0	211	15,527	Quabog	15.4	19.6	54	78	10,006
Townsend	0.0	0.0	0	0	0	Berkshire Hills	155.4	125.7	967	694	13,039	Ralph C. Mahar	11.7	36.5	59	205	6,804
Truro	0.0	7.8	0	65	2,530	Berlin Boylston	84.3	24.9	526	117	3,481	Shawshen Valley	0.0	7.7	0	47	13,340
						Blackstone Millville	13.2	25.1	51	138	14,157	Silver Lake	0.0	0.0	0	0	20,182

Note: Tuition and net school spending figures are in thousands of dollars.
State totals:
 Total FTE participating in school choice: 7344.1
 Total tuition sent and received: \$36,373,627
 Total budgeted FY2000 net school spending: \$6,841,886,189

Table 1

School Choice

➔ continued from page three

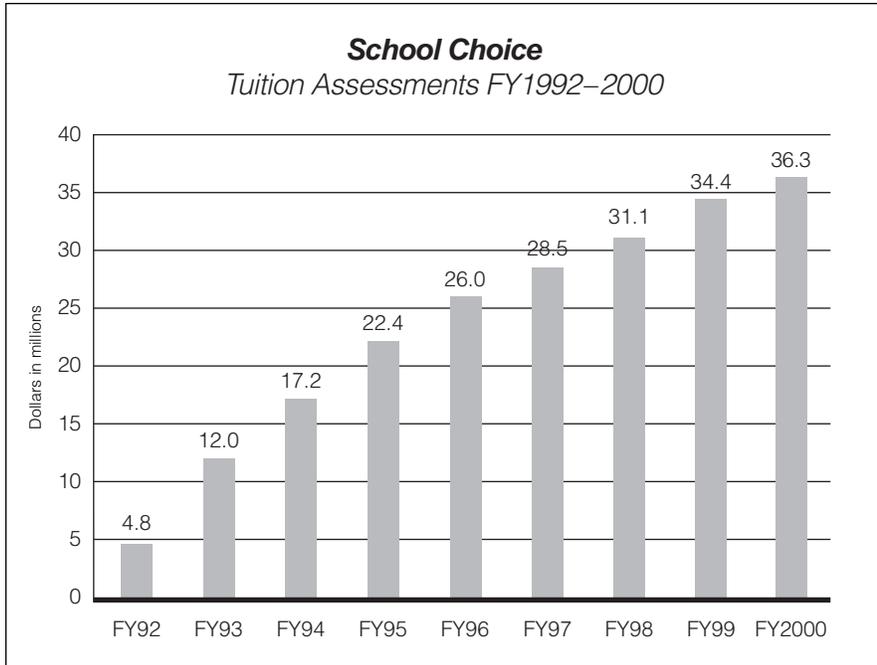


Figure 2

All of the 10 communities with the highest budgeted net school spending are cities: Boston, Springfield, Worcester, Lowell, Brockton, Lynn, Newton, New Bedford, Cambridge and Lawrence. Boston has the highest net spending of any community in the Commonwealth at \$556,706,281; however, Boston's sending tuition (\$161,629) is quite low in comparison to its net school spending. One reason for the low sending tuition in both Boston and Springfield is the METCO program, whose purpose is to promote desegregation in both Boston and Springfield's public schools, provide opportunities for students to reach the state's learning standards, and to provide opportunities and support for cross-cultural understanding and appreciation. FY2000 METCO enrollment was 3,236 students.

Receiving districts

In FY2000, there were 78 local school districts and 43 regional school districts accepting students from other districts. Cities, towns and regional school districts must vote *not to accept* students.

If the district does not vote, the DOE assumes that the district will accept students for the following school year. The five local districts receiving the highest amounts of tuition in FY2000 were Newburyport (\$1,349,062), Ayer (\$983,610), Holliston (\$943,653), Avon (\$929,637) and Manchester (\$747,576). The five regional school districts receiving the highest amounts of tuition in the last fiscal year were Whittier (\$1,554,733), Minuteman (\$1,397,162), Hamilton-Wenham (\$1,112,383), Berkshire Hills (\$967,061) and Nashoba (\$860,530). The majority of local and regional receiving districts are located in western, north-central, and northeastern Massachusetts, and on Cape Cod.

Receiving districts receive tuition payments as part of the quarterly local aid distribution. These receipts are deposited in a separate account. Tuition receipts are considered revenue for the school department, and the local school committee may spend tuition receipts without approval by the municipality's appropriating body. Since school com-

mittees control the spending of tuition receipts, there is no gain to the municipal budget.

Sending districts

Sending districts are assessed tuition for those students that choose to attend a district other than their local school district. Tuition assessments are based on 75 percent of the receiving district's per pupil cost, capped at \$5,000 for regular, bilingual and occupational day students. For special education students the tuition assessment is the full amount of the receiving district's per pupil cost for special education. Tuition assessments are deducted from the municipality or district's quarterly local aid distribution in December, March and June. Since School Choice tuition assessments affect a district's quarterly local aid distribution, communities and school districts should consider their potential budgetary impact. Prudent budget officers should include estimates of the upcoming year's tuition assessments when developing their budgets.

The five local school districts sending the most tuition are Springfield (\$1,393,641), Leominster (\$1,243,874), Pittsfield (\$853,602), Fitchburg (\$781,870) and Brockton (\$774,311). The five RSDs sending the highest amounts of tuition are Greater Lawrence (\$1,580,552), Triton (\$1,161,180), Berkshire Hills (\$693,881), Northeast Metropolitan (\$623,805) and Southern Berkshire (\$533,734).

Additional information on the School Choice program can be obtained from either Lisa Juszkievicz at the Division of Local Services at (617) 626-2386, or Phyllis Rogers at the Department of Education at (781) 338-6534. Information also is available through the Office of School Finance's website at www.finance1.doe.mass.edu. ■

The assistance of Roger Hatch and Phyllis Rogers of the DOE is gratefully acknowledged.

DLS UPDATE

Corrections

Residents of Quincy do not have to move after all — their tax bills did *not* go up 50.6 percent from FY1999 to FY2000. A typographical error in the column entitled "Pct. change in bill" in *Table 1* in the article on FY2000 Average Single Family Tax Bills in the July/August issue of *City & Town*, listed Quincy's percent change as 50.6 percent when it should have read 5.06 percent. Residents in two other communities have also been misled. Tax bills in Lunenburg increased by 4.85 percent, not 7.85 percent. Tax bills in Monson increased by 15.25 percent, not 15.52 percent. We regret any panic attacks our errors may have caused.

Another Town Becomes a City

West Springfield is the 49th community in Massachusetts to adopt a city form of government. Of the remaining 302 towns, 40 have representative town meetings and 262 retain the traditional open town meeting form of government. Although it has adopted a form of government with a mayor and a council, West Springfield will continue to call itself a town. It joins nine other "towns" with mayors or managers and councils: Amesbury, Barnstable, Easthampton, Franklin, Greenfield, Methuen, Southbridge, Watertown and Weymouth. After almost 50 years without a change, 11 communities have made the change to city government since 1970. An article in the November 1999 issue of *City & Town* explored the reasons for the changes. It is clear that communities choose to become cities for a variety of reasons, although there does appear to be a strong correlation to population, population density and the percentage of the total property value that is in the commercial and industrial classes. The

difficulties of managing municipal government with volunteers and attracting sufficient voters to form a quorum for town meetings are strong factors for a move to the city form of government. Several other communities have appointed charter commissions to explore the possibility of making such changes.

FY2001 Cherry Sheets

FY2001 state aid to municipalities and regional school districts totaled \$4.859 billion, an increase of \$320.5 million or 7.1 percent over FY2000. Chapter 70 aid to education increased \$187.1 million to \$2.990 billion. Lottery aid increased \$60 million to \$730 million. Cities, towns and regional school districts received their individual FY2001 Cherry Sheets in early August. Information on all communities is available on the DLS website at www.state.ma.us/dls.

Additional Lottery Aid Distributed

Communities have received an additional \$87.7 million in supplemental lottery aid. The additional lottery receipts were not included on the FY2001 Cherry Sheets, but are in addition to those receipts. The Division of Local Services notified cities and towns in late August of the amount of the supplemental aid each would receive. The letters included information about how these additional lottery receipts can be used. The monies can be applied as estimated receipts when setting the FY2001 tax rate, appropriated as an available fund during FY2001 once they are received, or allowed to close to fund balance (free cash) at the end of FY2001. Questions regarding the use of these receipts should be directed to each city or town's Bureau of Accounts field representative.

UST Municipal Grants

The Department of Revenue Underground Storage Tank (UST) Program is accepting applications for the FY2001 City and Town Municipal Grants Program. The program provides reimbursement of up to 50 percent for costs incurred by municipalities in removing and/or replacing USTs.

In FY2000 the program awarded approximately \$850,000 to municipalities. Grant awards are made in June. The deadline to file for FY2001 is May 31, 2001. Municipalities seeking pre-approval must file by November 30, 2000.

Contact Stuart Glass at (617) 887-5978 for a grant application or to inquire about the program's requirements. You can also visit the UST Program website at www.state.ma.us/ust. ■

School Impact Fee Invalidated ➔ continued from page two

ble tax. In the absence of an explicit legislative authorization, the impact fee could not be implemented. The court sympathized with the town's dilemma of finding money to build new schools, but stated that its remedy must come from the Legislature. ■

written by James Crowley

1. 49 Mass. App. 500 (2000).
2. Article 89 Section 7 of the Articles of Amendment.
3. 391 Mass. 415 (1984).
4. 23 N.J. 357 (1957).

Municipal Fiscal Calendar

October 1

Collector: Mail first semi-annual tax bills.

Taxpayer: Last date to file application to have land valued and taxed as agricultural/horticultural land or recreational land, M.G.L. Ch. 61A and Ch. 61B.

October 15

DOE: Notify communities of any prior year school spending deficiencies.

Superintendent: Submit school foundation enrollment report to DOE.

October 31

Accountant: Submit Schedule A for prior fiscal year.

Selectmen: Begin establishing next fiscal year budget guidelines and request department budgets.

Assessors: Begin work on tax rate recapitulation sheet (to set tax rate for quarterly tax bill communities).

Opportunities for Training

“What’s New in Municipal Law” will be offered at the Ramada Sovereign Hotel and Conference Center, 1080 Riverdale Street (at I-91) in West Springfield on Friday, September 22, 2000, and at the Sheraton Framingham Hotel, 1657 Worcester Road (Exit 12 from the Mass Pike), Framingham on Friday, September 29, 2000 from 9:00 a.m. to 3:00 p.m.

Assessment Administration: Law, Procedures, Valuation will be offered in the basement of the Library at Atlantic Union College, Lancaster, on eight Tuesday evenings from 7:00 p.m. to 10:00 p.m. beginning October 3.

A **Classification Training Workshop** will be given on Tuesday, October 31, 2000 from 7:00 p.m. to 8:30 p.m. in the basement of the library at Atlantic Union College in Lancaster.

For information, call Barbara LaVertue, Coordinator of Training, at (617) 626-2340.

Libraries Now Receive City & Town

With this issue, *City & Town* is being sent to local libraries. Please let us know if the address that we have added to our mailing list is incorrect. Changes to the mailing labels should be sent to Elaine Lombardi, PO Box 9490, Boston MA 02205-9490 or call (617) 626-2337. ■

Employment Opportunity

Property Tax Appraiser. The Bureau of Local Assessment seeks an appraiser to provide technical assistance to municipalities in property tax administration, mass appraisal, data quality, tax base growth, and local finance. Duties include triennial recertification of property values, valuing state-owned land, equalized valuations, etc. Requirements include three years of full-time experience in appraisal or assessment of real property, or a bachelor’s degree with two years of the required experience, and a valid driver’s license. Applicants should have strong analytical and writing skills as well as proficiency in the use of computer spreadsheet applications. Professional appraisal designation is desirable. Travel is required and assignments will generally be in North Shore communities. The salary range is \$36,109 to \$49,037. Send cover letters and resumes to Marilyn Browne, Chief, Bureau of Local Assessment PO Box 9490, Boston, MA 02205-9490. ■

<i>City & Town</i>	
<small><i>City & Town</i> is published by the Massachusetts Department of Revenue’s Division of Local Services (DLS) and is designed to address matters of interest to local officials.</small>	
Jean McCarthy , Editor	
To obtain information or publications, contact the Division of Local Services via:	
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