



Joint Statement: School District Budget Challenges

Massachusetts Association of School Superintendents (M.A.S.S.)
Massachusetts Association of School Committees (MASC)
Massachusetts Association of School Business Officials (MASBO)

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A disturbing trend has emerged in school districts throughout Massachusetts. As School Committees, Superintendents, and School Business Officials grapple with budget proposals for the 2025-26 school year, more and more districts are projecting significant budget deficits. The simple reality is that in many communities, **expenses are increasing at much higher rates than the revenue available to support them.**

At budget hearings and community meetings across the Commonwealth, residents are presented with proposed strategies to close the fiscal gaps, none of which is ideal, including staff layoffs, reduction or elimination of programs and services, and even school closures. District leaders try to reassure their constituents that they have proposed these solutions only after exhausting all other options. Many have advocated with municipal leaders for additional revenue, but cities and towns themselves are often facing economic challenges to deliver critical services. Some communities will pursue a Proposition 2½ override to avoid cuts through increased taxes, but voters are not always willing to pay higher tax bills, particularly if their own household budgets are already strained. Even a successful override is often a temporary solution that does not address the long-term structural deficits facing school districts.

Although the financial situation in each school district is unique, **we see a consistent pattern of fiscal pressures across a broad range of communities** – whether large or small, urban, suburban, or rural. Several major expenses are increasing dramatically year after year, including out-of-district special education tuition, transportation, health insurance, utilities, and other significant line items. At the same time, the revenue available to most school districts remains relatively flat. State funding has increased overall in recent years, but not enough to offset the rapidly rising expenses. Local communities – especially those without a sizable commercial sector – rely heavily on residential taxes, which cannot increase by more than 2.5% without an override. These shortfalls are compounded by the loss of federal funding that supported pandemic recovery investments, forcing districts to choose between eliminating those interventions or redirecting other revenue to sustain them.

When faced with painful consequences – especially the loss of talented employees or vital programs for students and families – it is understandable for residents to express their anger, frustration, and fear, and to demand answers about the causes of this predicament. We urge the people of Massachusetts to **know the facts and understand the statewide context** before placing blame on the individuals who lead our school districts. School Committees, Superintendents, and School Business Officials have a tremendous responsibility to manage public funds with the utmost care and with the best interest of students at the forefront. However, they are ultimately constrained by the resources available to them, particularly as the needs and costs to operate school districts continue to escalate well beyond the means of our communities.