

# Answers to Key Questions about School Funding in Lempster

September 2022

New Hampshire’s public school system – and the way in which money is raised to pay for it – touches the lives of all Granite Staters yet can often be difficult to understand. Listed below are a few questions you might have about how schools are funded in Lempster, along with helpful facts and figures in response. After reading them, we hope you’ll have a better appreciation of some of the inequities that plague our school funding system.

## What Does Lempster Spend on Public Schools? How Does It Compare to Other Communities?

The 1998-99 school year was the last school year before the State of New Hampshire, in response to the Supreme Court’s *Claremont* rulings, increased the amount of aid it provides to pay for an “adequate” education. That year, Lempster spent \$6,215 per elementary school student or 99 percent of what the typical (or median) town had spent. In the school year 2020-21, Lempster spent \$21,154 per elementary pupil, which was 100 percent of the NH Median.

Figure 2 compares spending per elementary pupil in Lempster and the state average for the past fourteen years. As it shows, spending in Lempster has remained above the state average over the years.

Figure 1

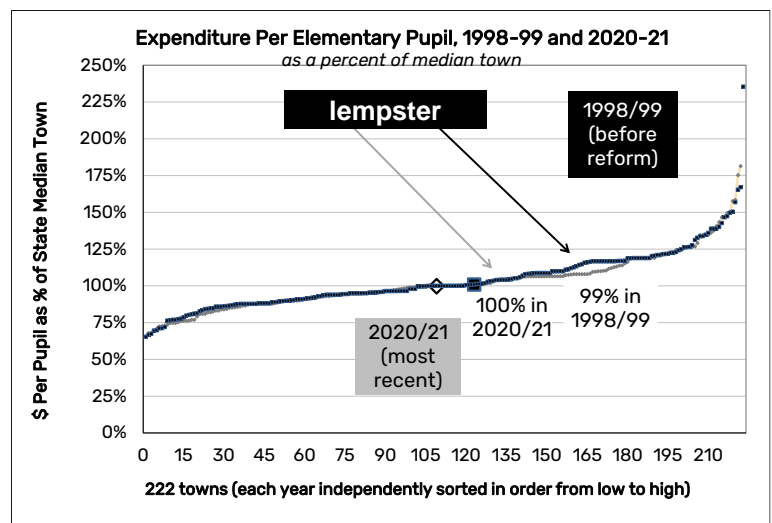
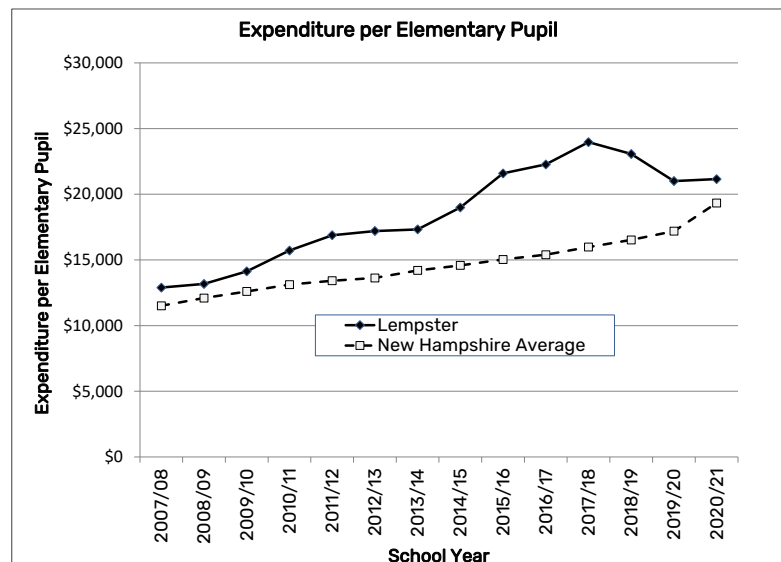


Figure 2



All told, New Hampshire’s public-school districts spent \$3.54 billion during the 2020-21 school year. Of that amount, 40 percent was dedicated to regular classroom instruction, 21 percent to other educational programs (including special education and vocational instruction), 11 percent to administration, 9 percent to building operations, and the remainder was devoted to transportation, food services, and other purposes.

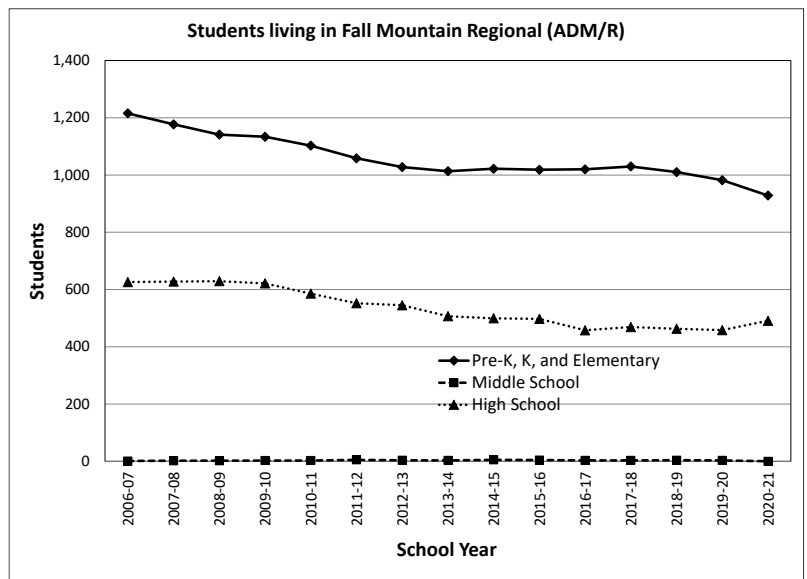
As shown in the table, the proportion of Lempster School District’s that is for regular instruction is less than the state average and spending on special education is more than average. Lempster spends a higher amount on Instructional Support Staff than the state average.

Spending by Type	Percentage	
	Lempster	NH Average
Regular Instruction	35%	40%
Special Programs	23%	19%
Vocational Programs	0%	1%
Other Instructional Programs	1%	1%
Student Support Services	8%	8%
Instructional Support Staff	5%	3%
Administration	16%	11%
Plant Operations	8%	9%
Pupil Transportation	3%	4%
Food Services	2%	2%
Bond & Note Interest	0%	1%
Other Expenses	0%	0%
<b>Total Expenses</b>	<b>100%</b>	<b>100%</b>

### How Many Students Are Enrolled in Lempster’ School and Tuitioned?

Average Daily Membership in Residence (ADM/R) is one way in which enrollment is measured. It measures the number of public-school students living in a district. Overall, in New Hampshire, ADM/R has been in slow decline in recent years, attributable to declining birth rates. In Lempster, there has been a decrease of 23 percent since 2006-07. Figure 3 displays ADM/R trends at Lempster’s elementary, middle, and high schools for the past fifteen years. During this period, the number of elementary students decreased by 24 percent and high school students decreased by 21 percent. (No Middle School Data for Lempster)

Figure 3



### How Does Lempster Pay for Public Schools?

Figure 4 shows all the various revenue sources that Lempster uses to pay for its students’ education, measuring them on a per pupil basis. It also compares Lempster’s revenue sources to the New Hampshire average. As this figure makes clear, local property taxes are the major source of revenue for public schools, both in Lempster and across the state.

Figure 4

During the 2020-21 school year, Lempster School District's total school revenue was \$13,785 per pupil, a bit more than the state average of \$12,918. Property taxes (local plus statewide) provided \$1,951,110 or 60 percent of the \$3,230,277 overall amount. Lempster received \$4,779 state "adequacy" aid per pupil. The state average aid is \$3900.

### How Do Lempster's School Property Tax Rates Compare to Other Communities?

1998 was the last tax year before the state responded to the Supreme Court's *Claremont* rulings and introduced new aid to pay for an "adequate" education. That year, Lempster's equalized property tax rate for its schools was \$19.33 per \$1,000 of property value. This rate was 104% of the median town. In 2020, the equalized school property tax rate in Lempster was \$14.55 per \$1,000 of value (a \$12.69 local tax rate plus a \$1.86 state tax rate, which is retained locally).

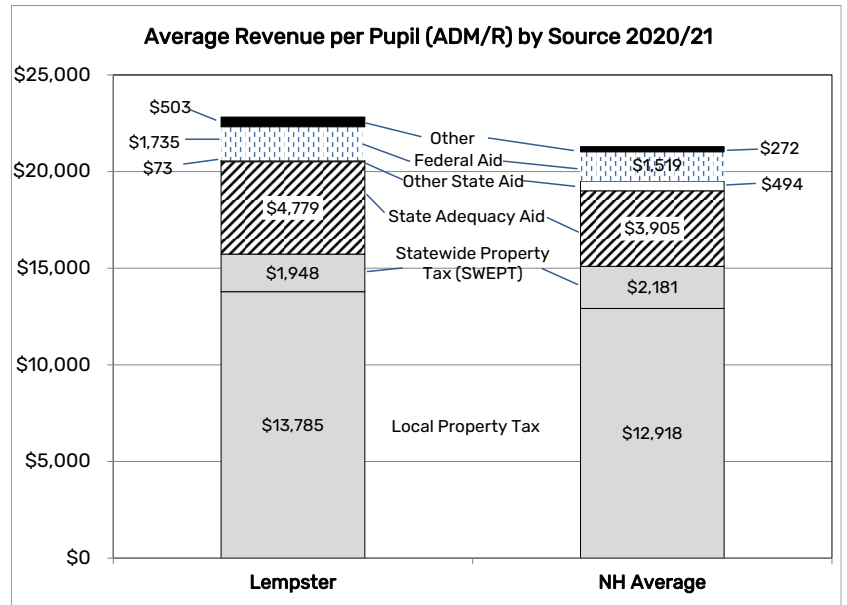
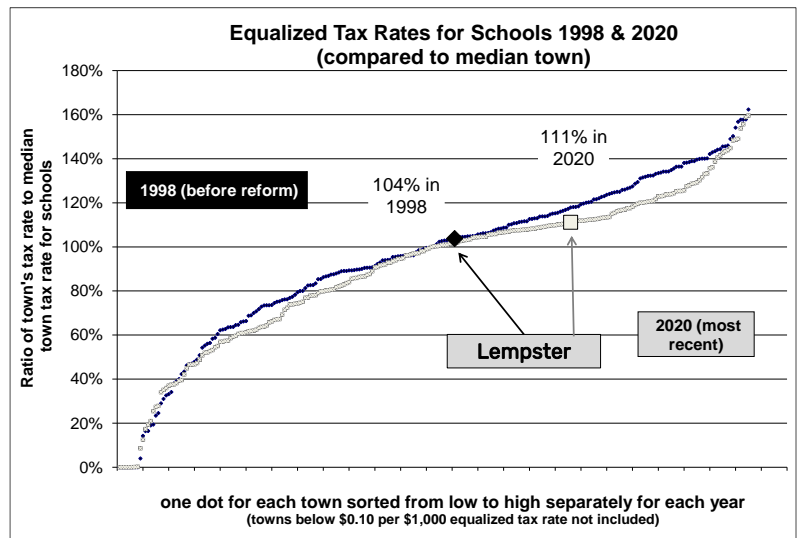


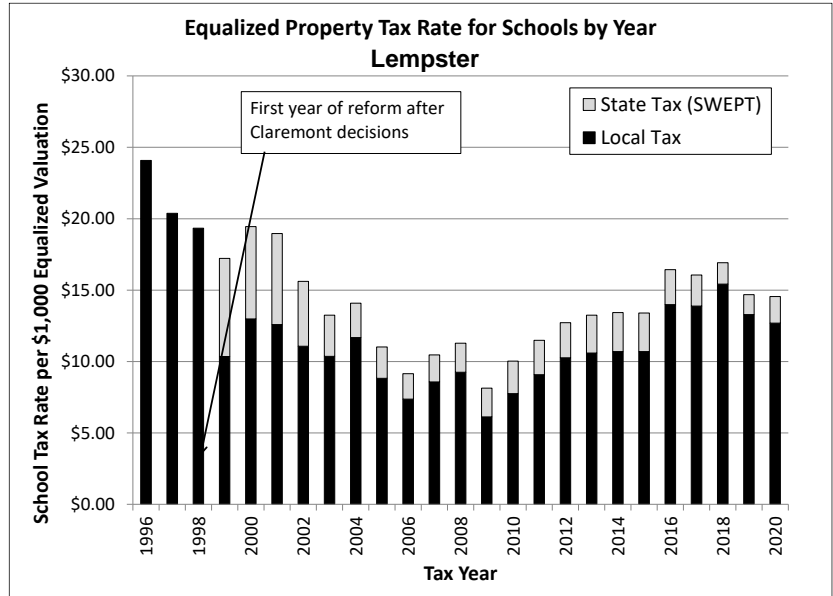
Figure 5



## How Has Lempster’s School Property Tax Rate Changed Over Time?

The reforms enacted in 1998 imposed the Statewide Education Property Tax (SWEPT). In 1999 its rate was \$6.87 per thousand equalized valuations in Lempster. Also, in 1999 the state began distribution of its new “adequacy aid” to each district. The result for Lempster was a sudden reduction in its equalized tax rate from \$19.33 per thousand in 1998 to \$10.35 in 1999. Since that time the total rate has steadily gone up, and the most recent equalized rate of \$12.69.

Figure 6

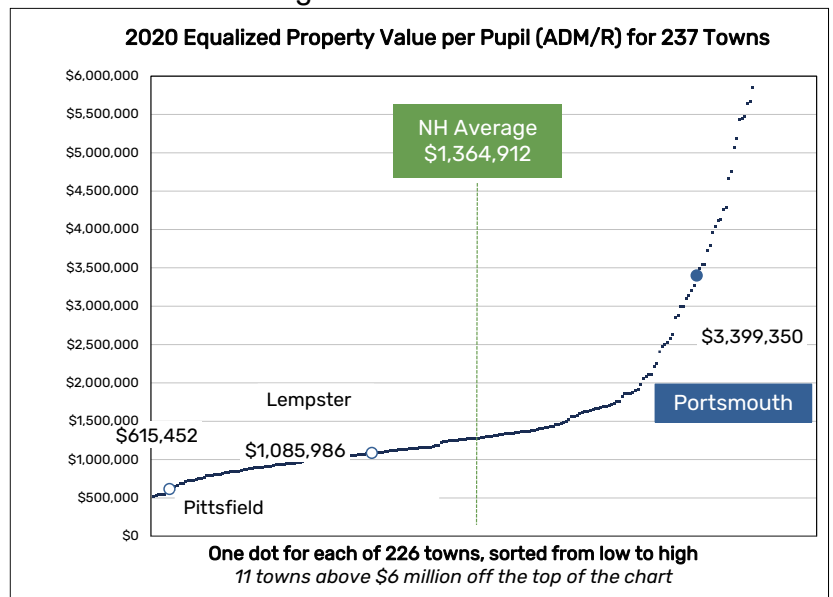


## How Do Property Values in Lempster Compare to Other Communities?

The most important statistic that relates to the ability of different towns to raise taxes for the purpose of their schools is Equalized Property Value per Pupil or EQVP. EQVP essentially provides an answer to the question, “What resources are available to be taxed in our town for each of the students whose education we pay for through our school budget?” The higher a town’s EQVP, the lower the school property tax rate it needs to use to generate a set sum of money.

In 2020, Lempster had \$153,707,918 of equalized property valuation and 142 students (as measured by average daily membership in residence or ADM-R). This means that Lempster’s EQVP that year was \$1,085,986. The state average EQVP was \$1,364,912. Lempster had 79.6 percent of the state average. Pittsfield is an example of one of many communities that had less property value per pupil than Lempster

Figure 7



Clearly there is not a level playing field when it comes to the ability of towns' property tax bases to support their schools.

*Note: Data used in this report are taken from reports and spreadsheets of the NH Department of Education (Equalized Valuation per Pupil, Cost Per Pupil by District, Average Daily Membership Based Upon Attendance and Residence (ADM), Average Class Size by School, and DoE25 Extract for State Profile Data for various years). Such data are reported by New Hampshire school districts to the Department. Tax rates printed on town tax bills are not equalized and cannot be compared among towns. Using equalized data allows an apples-to-apples comparison among town tax rates and property values.*