

# Answers to Key Questions about School Funding in Carroll

May 2023

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 Carroll, along with helpful facts and figures in response. After reading them, we hope you’ll better understand some of the inequities plaguing our school funding system.

## What Does Carroll 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, Carroll spent \$5,644 per elementary school student or 95 percent of the typical (or median) town’s spending. In the school year 2021-22, Carroll spent \$21,261 per elementary pupil, which was 97 percent of the NH Median.

Figure 2 compares spending per elementary pupil in Carroll and the state average for the past fifteen years. It shows that spending in Carroll has fluctuated around the state average over the years.

Figure 1

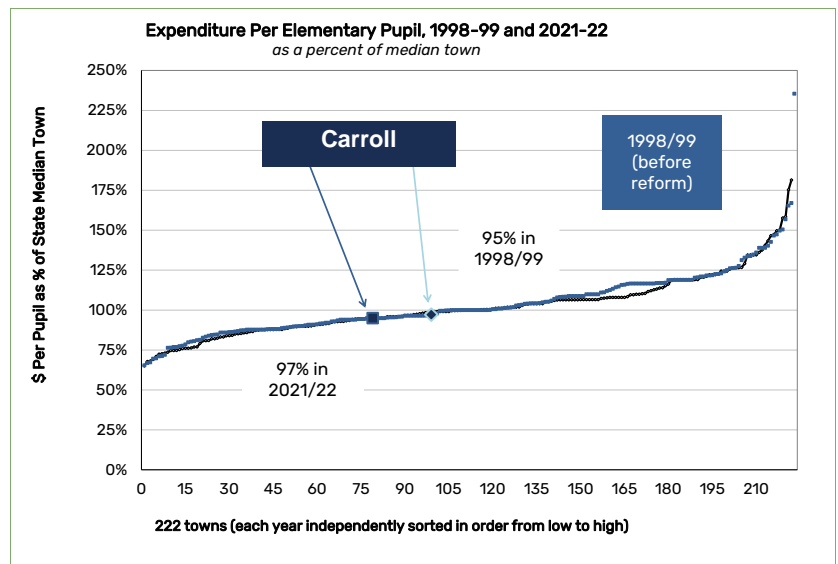
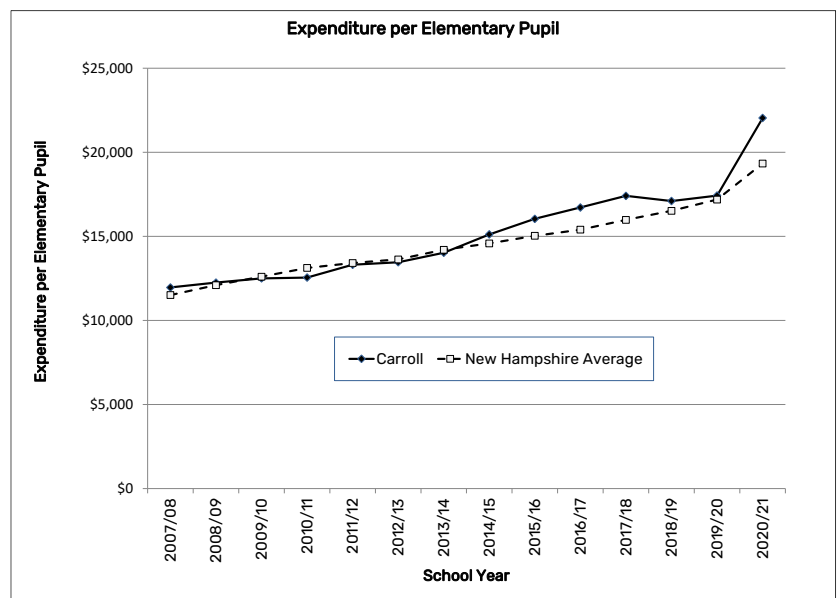


Figure 2



New Hampshire’s public school districts spent \$3.64 billion during the 2021-22 school year. Of that amount, 40 percent was dedicated to regular classroom instruction, 19 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.

Carroll students are enrolled at White Mountains Regional School District.

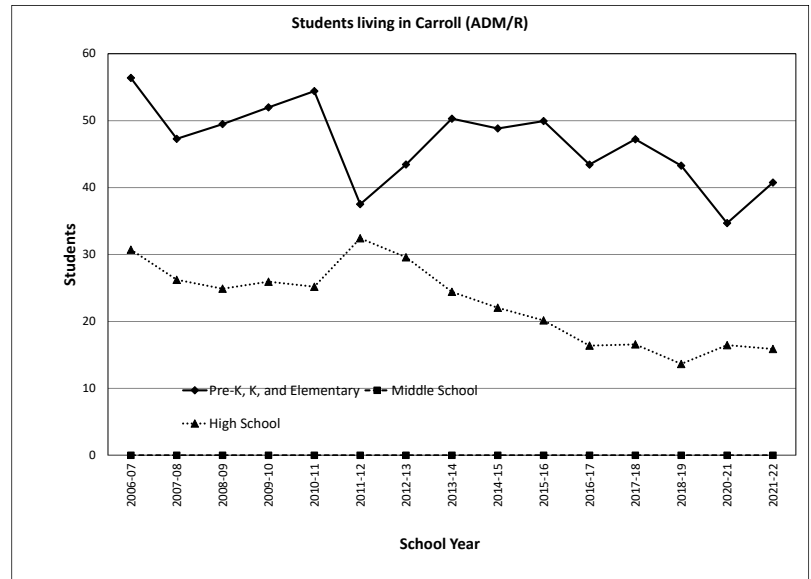
As shown in the table, the proportion of White Mountains Regional School District’s spending on regular instruction is less than the state average, and for special education programs is also less than average. Lisbon also spends more on vocational programs, administration, plant operations, and pupil transportation than the state average.

Spending by Type	Percentage	
	White Mountains	NH Average
Regular Instruction	32%	40%
Special Programs	13%	19%
Vocational Programs	3%	1%
Other Instructional Programs	3%	1%
Student Support Services	9%	8%
Instructional Support Staff	5%	3%
Administration	13%	11%
Plant Operations	14%	9%
Pupil Transportation	6%	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 Carroll Schools?

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. ADM/R has been in slow decline in New Hampshire in recent years, attributable to declining birth rates. In Carroll, there has been a decrease of 35 percent from 2006-07. Figure 3 displays ADM/R trends for the past fifteen years in Carroll’s elementary, middle, and high schools. During this period, the number of elementary students increased by 27 percent, middle school students are combined in the other categories, and high school students decreased by 48 percent.

Figure 3



### How Does Carroll Pay for Public Schools?

Figure 4 shows all the various revenue sources that White Mountains Regional (where Carroll students attend) uses to pay for its students’ education, measuring them on a per-pupil basis. It also compares White Mountains’ revenue sources to the New Hampshire average. As this figure makes clear, local property taxes are the major source of revenue for public schools across the state.

During the 2020-21 school year, White Mountains Regional School District's total school revenue was \$26,590 per pupil, a bit more than the state average of \$21,462. Property taxes (local plus statewide) provided \$12,540,636 or 50% percent of the \$25,540,636 overall amount, much less than the state average. White Mountains Regional received \$8,135 state "adequacy" aid per pupil. The state average aid is \$3905.

### How Do Carroll'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, Carroll's equalized property tax rate for its schools was \$11.89 per \$1,000 of property value. This rate was 64% of the median town. In 2021, Carroll's equalized school property tax rate was \$4.94 per \$1,000 of value (a \$3.85 local tax rate plus a \$1.09 state tax rate, which is retained locally), 46% of the median town.

Figure 4

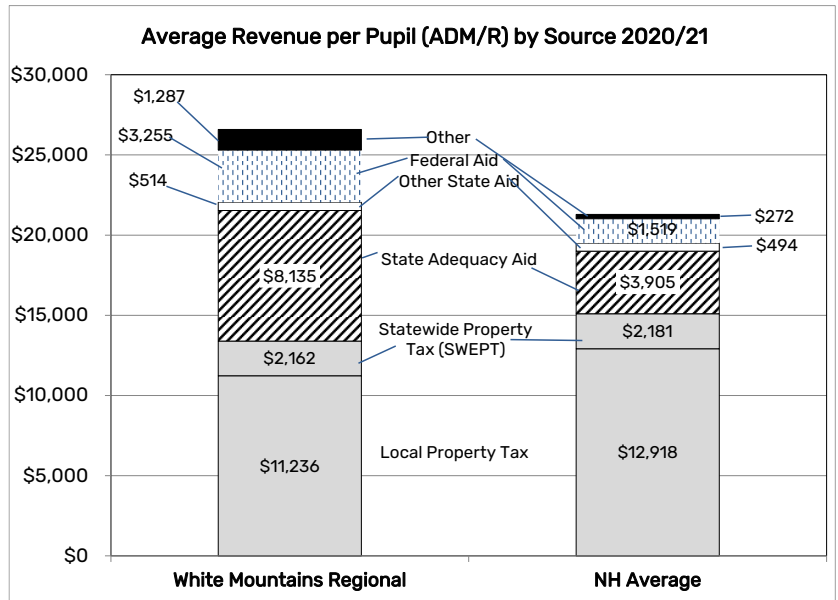
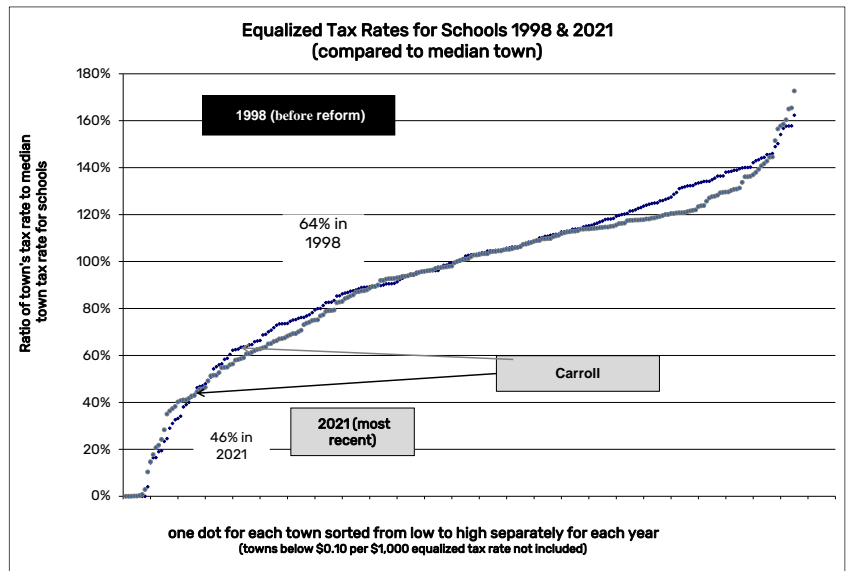


Figure 5



## How Has Carroll’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 \$5.13 per thousand equalized valuations in Carroll. Also, in 1999 the state began the distribution of its new “adequacy aid” to each district. The result for Carroll was a sudden reduction in its equalized tax rate from \$11.32 per thousand in 1998 to \$9.86 in 1999. The 2021 equalized rate is \$4.94.

## How Do Property Values in Carroll 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 2021, Carroll had \$645,263,172 of equalized property valuation and 57 students (as measured by average daily membership in residence or ADM-R). This means that Carroll’s EQVP that year was \$11,392,720. The state average EQVP was \$1,599,979. Carroll had 712% percent of the state average. Portsmouth and Pittsfield is an example of one of the many communities that had less property value per pupil than Carroll. Carroll’s EQVP is too high to fit in the graph.

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

Figure 6

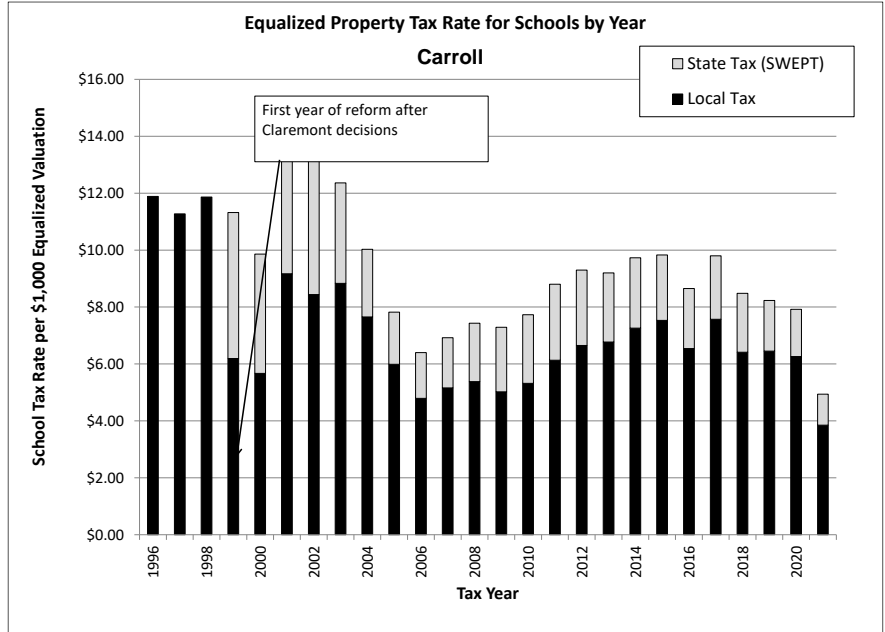
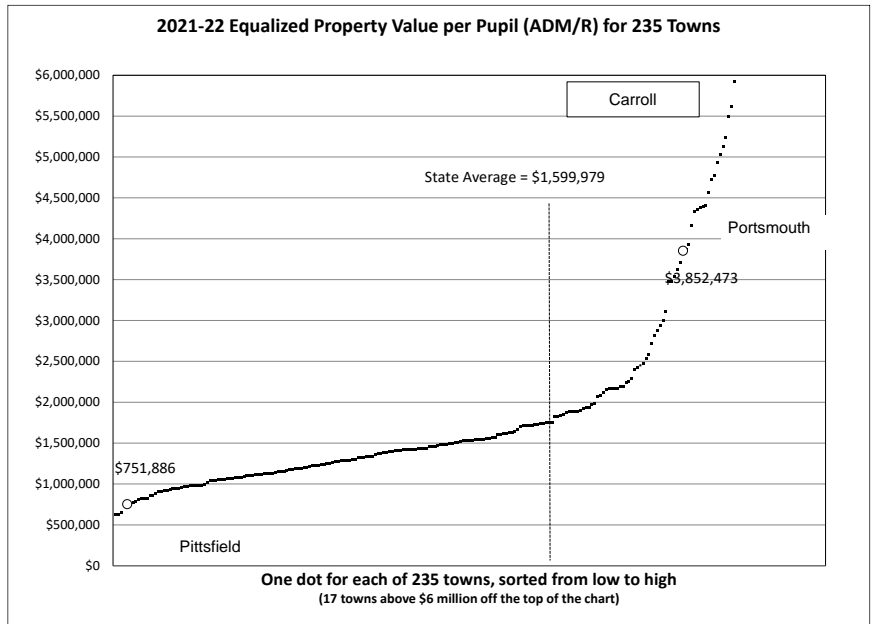


Figure 7



*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.*