

Answers to Key Questions about School Funding in Warner

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 Warner 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 Kearsarge Regional School District 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, Kearsarge Regional spent \$7,068 per elementary school student or 119 percent of the typical (or median) town’s spending. In the school year 2021-22, Kearsarge Regional spent \$22,381 per elementary pupil, which was 102 percent of the NH Median.

Figure 2 compares spending per elementary pupil in Kearsarge Regional School District and the state average for the past fourteen years. It shows that spending in Kearsarge Regional has remained somewhat above the state average over the years.

Figure 1

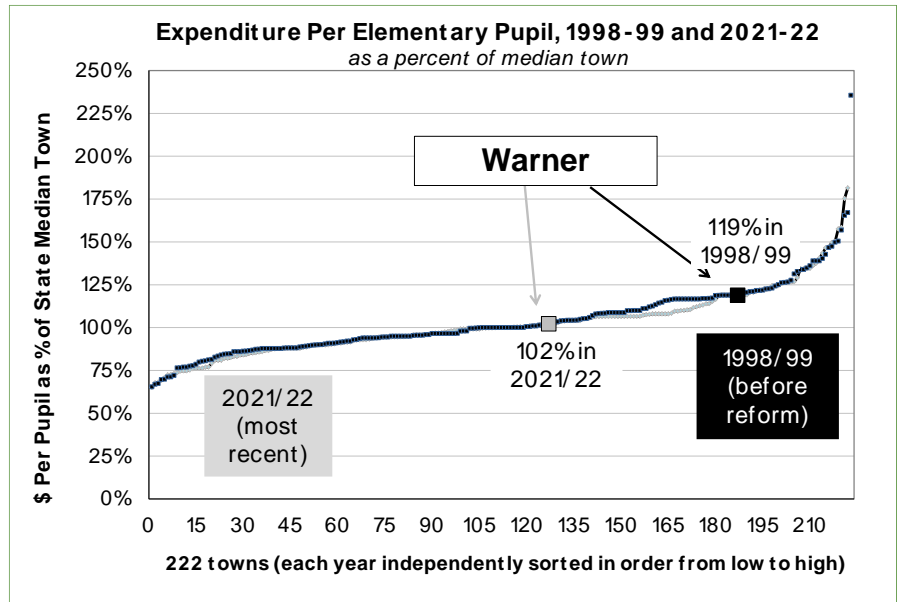
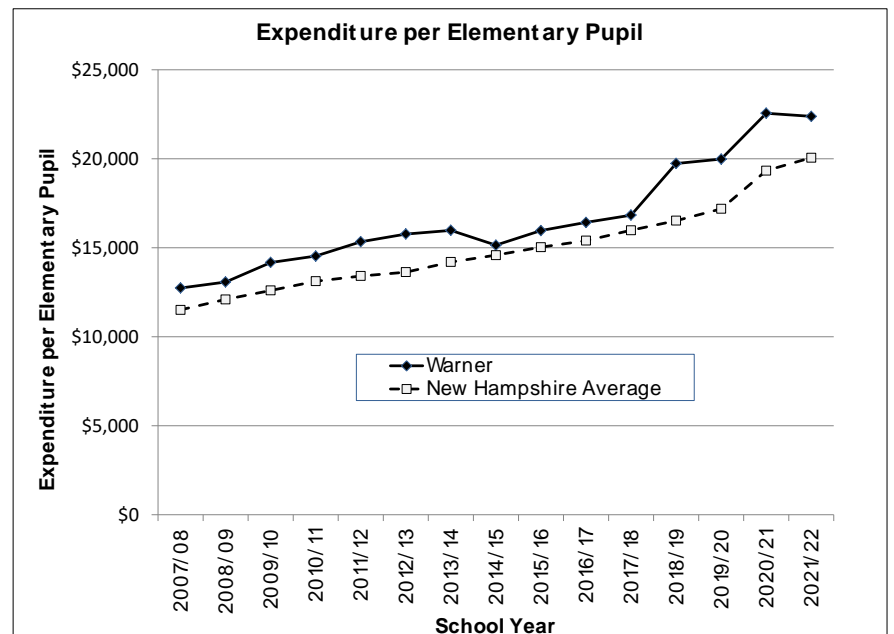


Figure 2



New Hampshire’s public school districts spent \$3.64 billion during the 2021-22 school year. Of that amount, 39 percent was dedicated to regular classroom instruction, 19 percent to special education, 10 percent to administration, 8 percent to building operations, and the remainder was devoted to transportation, food services, and other purposes.

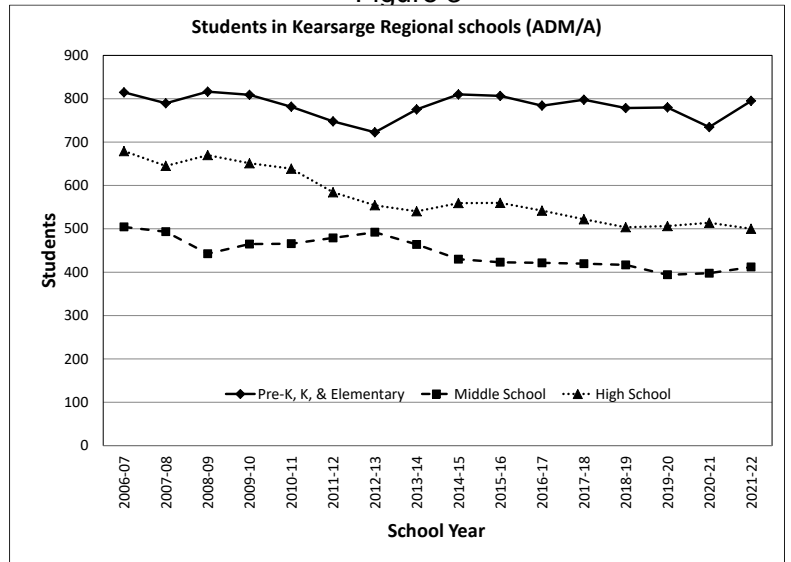
As shown in the table, Kearsarge Regional spent a larger percentage on regular instruction and less on student support services than the state average.

Spending by Type	Percentage	
	Kearsarge	NH Average
Regular Instruction	45%	39%
Special Programs	18%	19%
Vocational Programs	0%	1%
Other Instructional Programs	1%	2%
Student Support Services	5%	8%
Instructional Support Staff	2%	4%
Administration	11%	10%
Plant Operations	10%	8%
Pupil Transportation	5%	5%
Food Services	2%	2%
Bond & Note Interest	2%	1%
Other Expenses	0%	0%
Total Expenses	100%	100%

How Many Students Are Enrolled in Kearsarge Regional’s Schools?

Average Daily Membership in Attendance (ADM/A) is one way in which enrollment is measured. It measures the number of public school students attending schools in a district. ADM/A has been in slow decline in New Hampshire in recent years, attributable to declining birth rates. At Kearsarge Regional Schools, there has been a decrease of 14.6 percent since 2006-07. Figure 3 displays ADM/A trends for the past fifteen years in Kearsarge’s elementary, middle, and high schools. During this period, the number of elementary students decreased by only 2.4 percent, middle school students decreased by 18.3 percent, and high school students decreased by 22.50 percent.

Figure 3



How Does New Kearsarge Regional Pay for Public Schools?

Figure 4 shows all the various revenue sources that Kearsarge Regional uses to pay for its students’ education, measuring them on a per-pupil basis. It also compares the district’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 across the state, but especially so in Kearsarge Regional.

During the 2021-22 school year, Kearsarge Regional School District's total school revenue was \$25,256 per pupil (ADM/A), more than the state average of \$22,066. Property taxes (local plus statewide) provided \$36,222,377 or 84% percent of the \$43,112,948 overall amount, more than the state average of 70%. Kearsarge Regional received \$1,917 cash state "adequacy" aid per pupil. The state average aid was \$3,785.

How Do Warner'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, Warner's equalized property tax rate for its schools was \$22.65 per \$1,000 of property value. This rate was 122% of the median town. In 2021, the equalized school property tax rate in Warner was \$11.79 per \$1,000 of value (a \$10.41 local tax rate plus a \$1.38 state tax rate, which is retained locally). This was 109% of the median town.

Figure 4

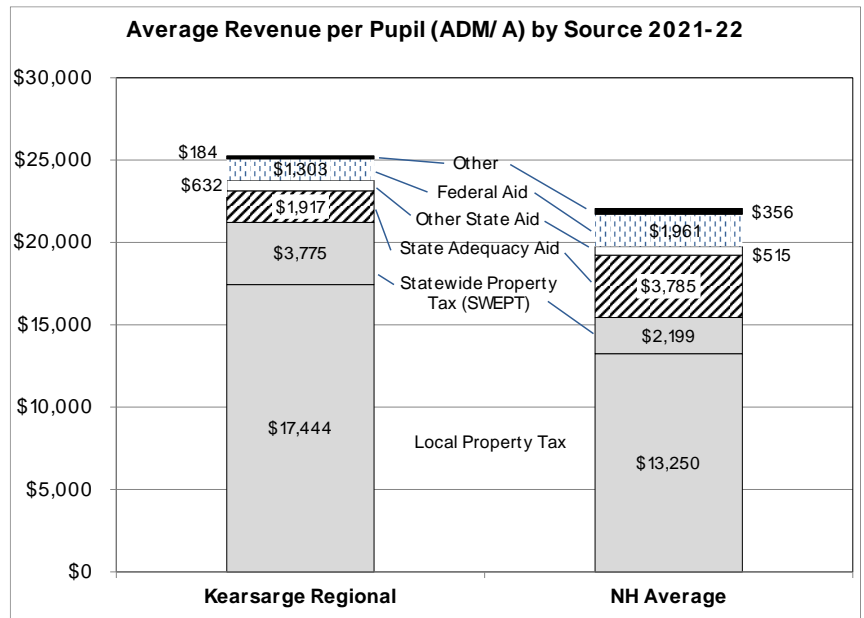
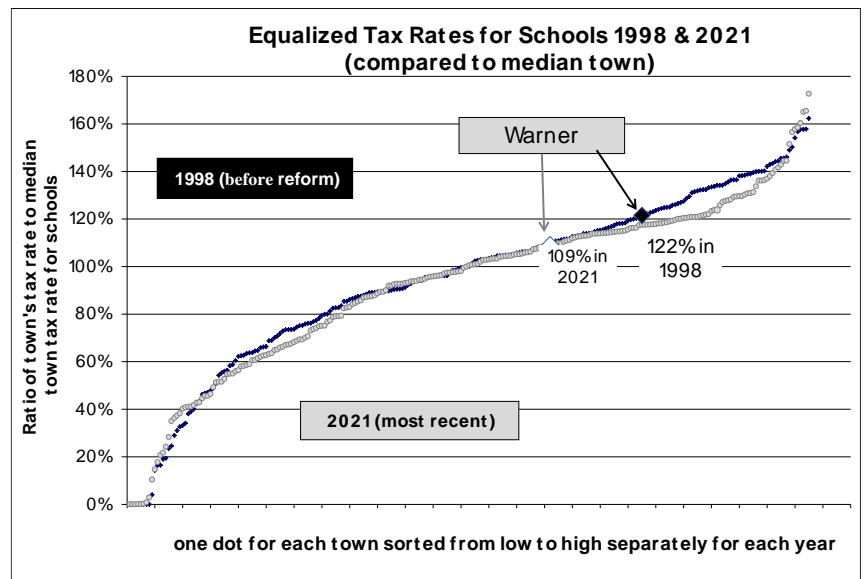


Figure 5



How Has Warner'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 \$5.80 per thousand equalized valuation in Warner. Also, in 1999 the state began the distribution of its new "adequacy aid" to each district. The result for Warner was a sudden decrease in its equalized tax for schools from \$22.65 per thousand in 1998 to \$13.23 in 1999. The 2021 equalized rate was \$11.79.

How Do Property Values in Warner 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, Warner had \$425,367,609 of equalized property valuation and 362 students (as measured by average daily membership in residence or ADM-R). This means that Warner's EQVP that year was \$1,174,623. The state average EQVP was \$1,599,979. Warner had 73% of the state average.

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.

Figure 6

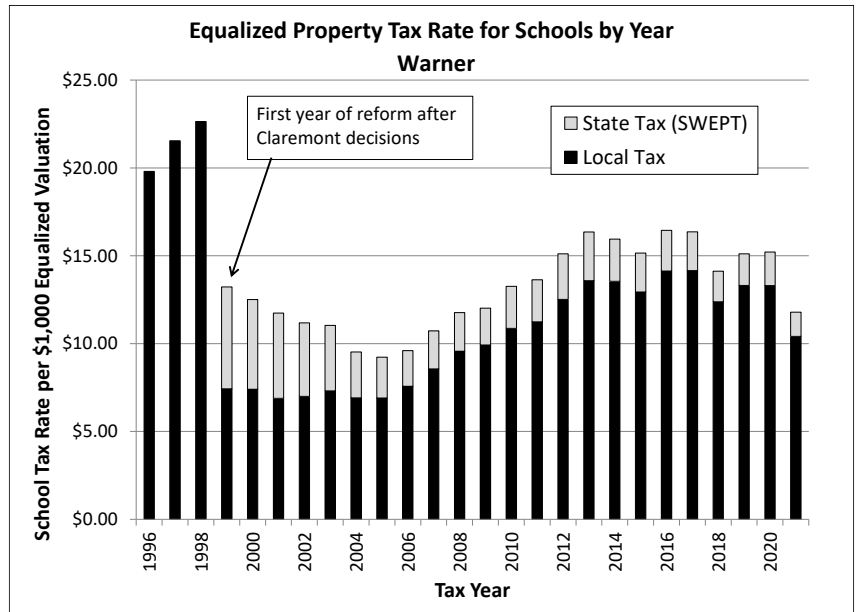


Figure 7

