

Answers to Key Questions about School Funding in New Boston

June 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 New Boston, 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 New Boston 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, New Boston spent \$5,194 per elementary school student or 87 percent of the typical (or median) town’s spending. In the school year 2021-22, New Boston spent \$15,615 per elementary pupil, which was 71 percent of the NH Median.

Figure 1

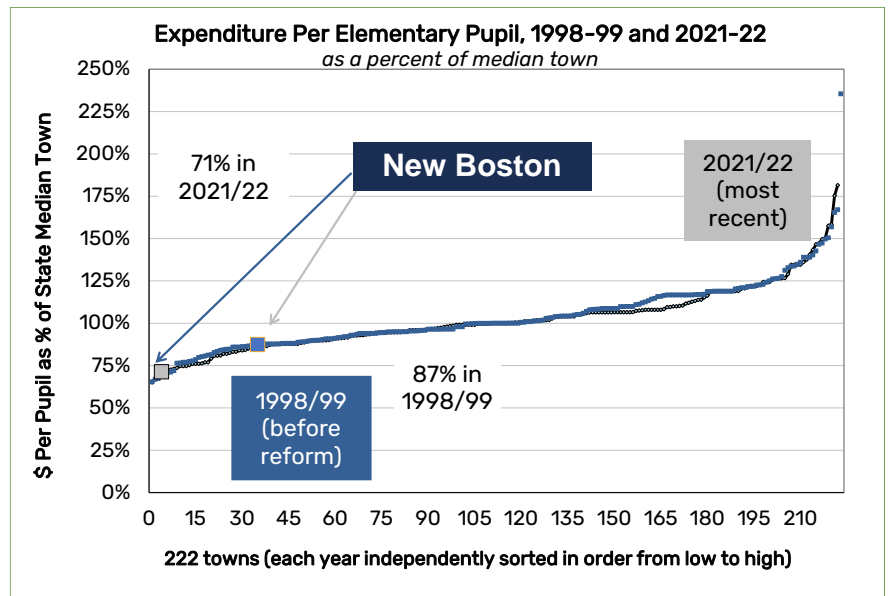
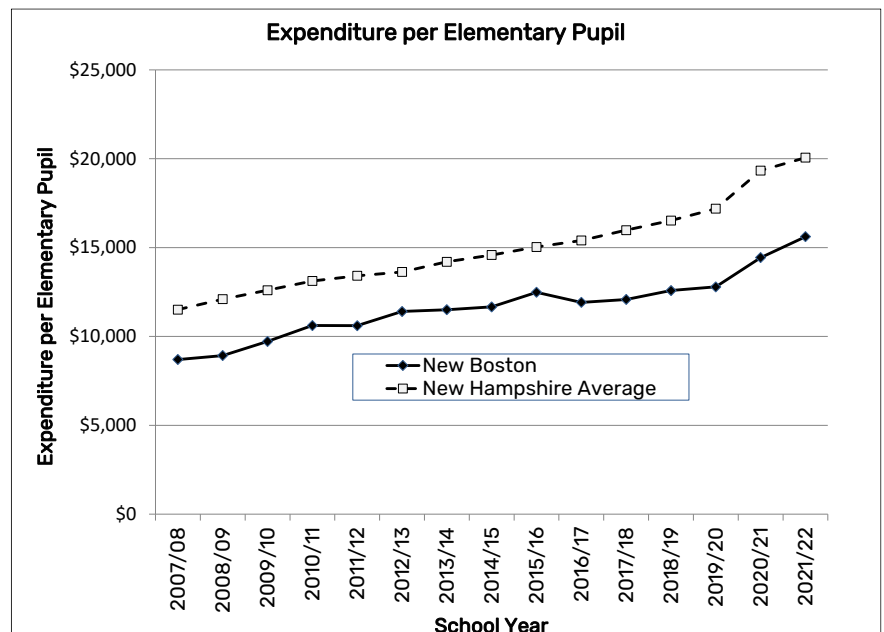


Figure 2 compares spending per elementary pupil in New Boston and the state average for the past fifteen years. It shows that spending in New Boston has remained below the state average over the years.

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, 20 percent to other educational programs (including special education and vocational instruction), 10 percent to administration, 8 percent to building operations, and the remainder was devoted to transportation, food services, and other purposes.

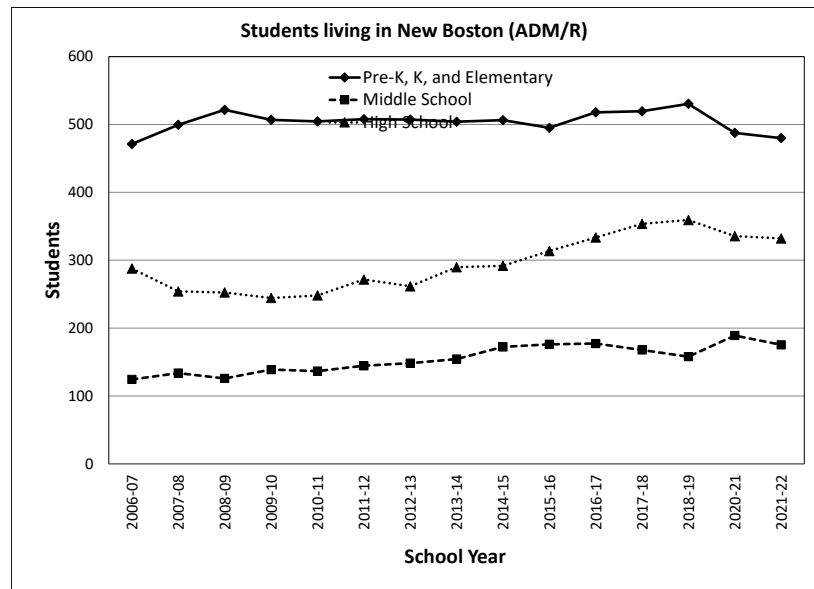
Spending by Type	Percentage	
	New Boston	NH Average
Regular Instruction	65%	39%
Special Programs	13%	19%
Vocational Programs	0%	1%
Other Instructional Programs	0%	2%
Student Support Services	4%	8%
Instructional Support Staff	1%	4%
Administration	7%	10%
Plant Operations	3%	8%
Pupil Transportation	5%	5%
Food Services	1%	2%
Bond & Note Interest	0%	1%
Other Expenses	0%	0%
Total Expenses	100%	100%

As shown in the table, the proportion of New Boston School District’s spending on regular instruction is far more than the state average, and for special education programs is less than average. New Boston also spends a smaller percentage on administration and building operations than the state average.

How Many Students Are Enrolled in New Boston 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 New Boston, there has been an increase of 11.8 percent from 2006-07. Figure 3 displays ADM/R trends for the past fifteen years in New Boston’s elementary, middle, and high school populations. During this period, the number of elementary students increased by 1.8 percent, middle school students increased by 41 percent, and high school students increased by 15.4 percent.

Figure 3



How Does New Boston Pay for Public Schools?

Figure 4 shows all the various revenue sources New Boston uses to pay for its students’ education, measuring them on a per-pupil basis. It also compares New Boston’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.

During the 2021-22 school year, New Boston School District’s total school revenue was \$16,606 per pupil, a bit less than the state average of \$21,462. Property taxes (local plus statewide) provided

\$12,550,062 or 77% percent of the \$16,392,947 overall amount, also a bit more than the state average. New Boston received \$3,187 state “adequacy” aid per pupil. The state average aid is \$3,762.

How Do New Boston’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, New Boston’s equalized property tax rate for its schools was \$22.01 per \$1,000 of property value. This rate was 118% of the median town. In 2021, the equalized school property tax rate in New Boston was \$12.99 per \$1,000 of value (an \$11.57 local tax rate plus a \$1.42 state tax rate, which is retained locally).

Figure 4

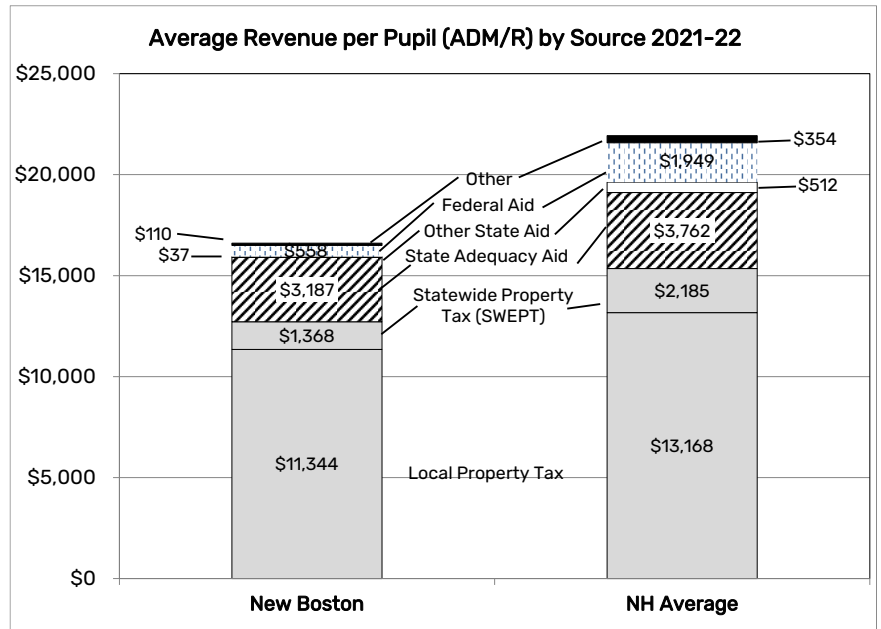
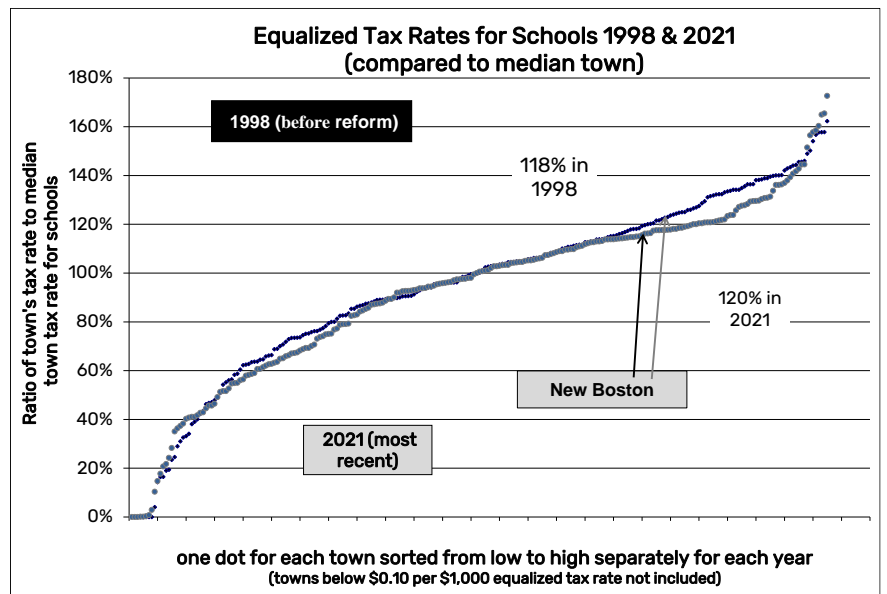


Figure 5



How Has New Boston'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 \$5.98 per thousand equalized valuations in New Boston. Also, in 1999 the state began the distribution of its new "adequacy aid" to each district. The result for New Boston was a sudden reduction in its equalized tax rate from \$22.01 per thousand in 1998 to \$13.09 in 1999. The 2021 equalized rate is \$12.99.

How Do Property Values in New Boston 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, New Boston had \$968,290,521 of equalized property valuation and 987 students (as measured by average daily membership in residence or ADM-R). This means that New Boston's EQVP that year was \$980,790. The state average EQVP was \$1,599,979. New Boston had 61 percent of the state average. Pittsfield is an example of one of the communities that had less property value per pupil than New Boston.

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

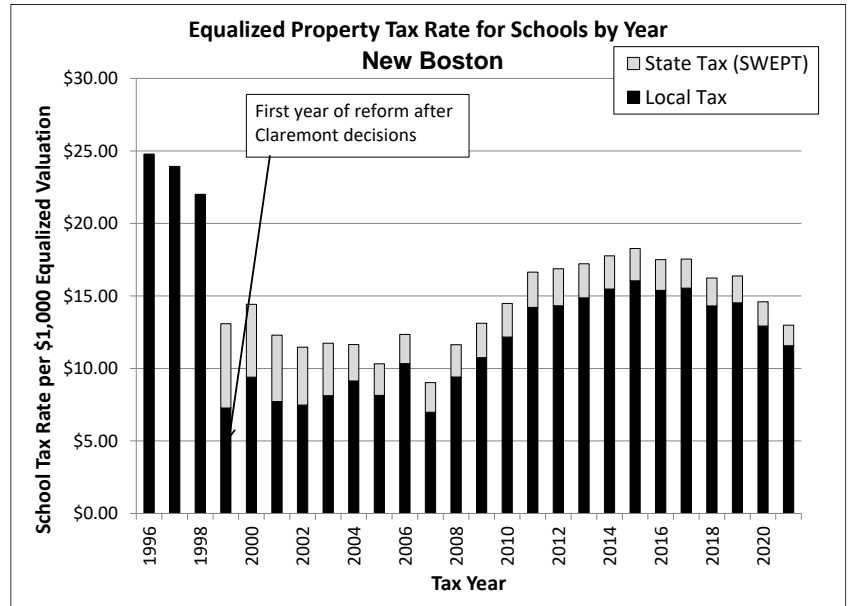
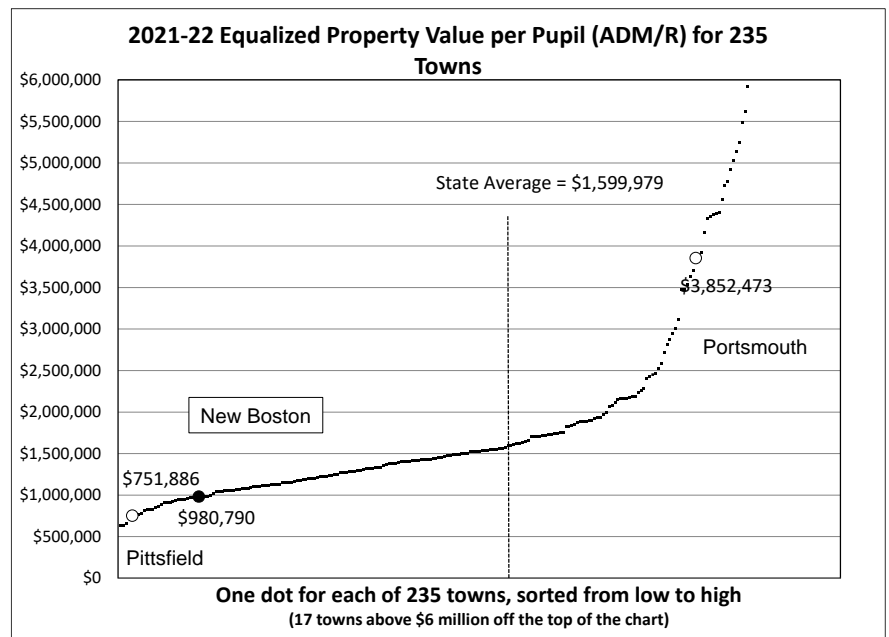


Figure 7



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.