

Answers to Key Questions about School Funding in Keene

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 Keene, 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 Keene 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, Keene spent \$8,014 per elementary school student or 135 percent of the typical (or median) town’s spending. In the school year 2021-22, Keene spent \$20,158 per elementary pupil, which was 92 percent of the NH median.

Figure 2 compares spending per elementary pupil in Keene and the state average for the past fifteen years. It shows that spending in Keene has remained above the state average over the years, meeting the state average in 2022.

Figure 1

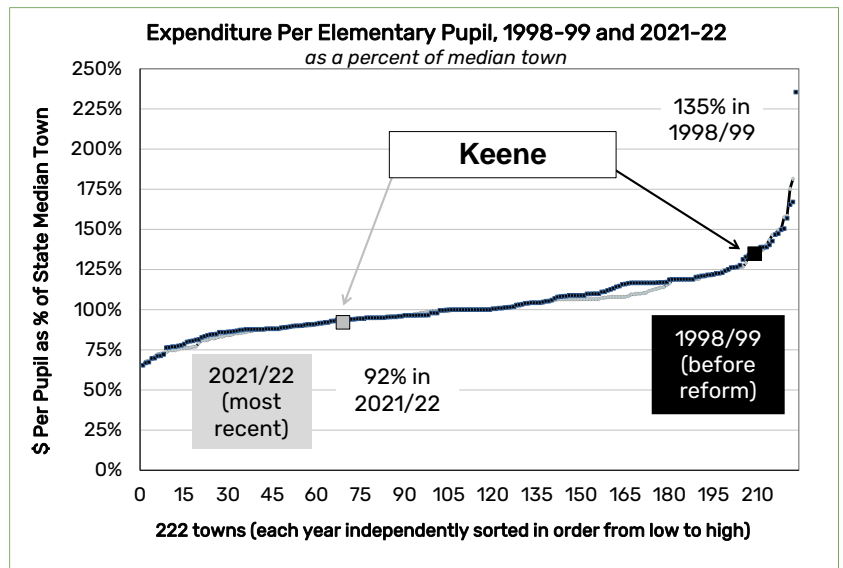
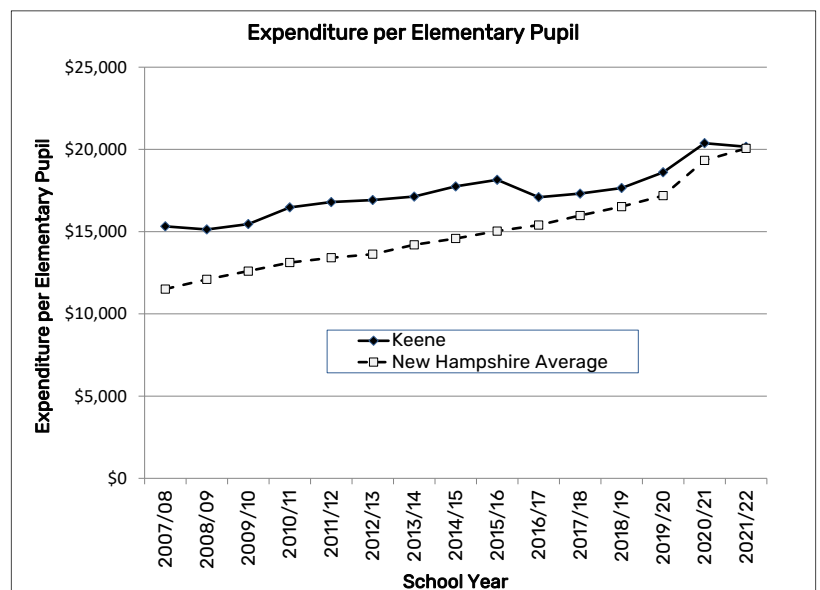


Figure 2



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, 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	
	Keene	NH Average
Regular Instruction	35%	39%
Special Programs	18%	19%
Vocational Programs	3%	1%
Other Instructional Programs	1%	2%
Student Support Services	9%	8%
Instructional Support Staff	3%	4%
Administration	13%	10%
Plant Operations	10%	8%
Pupil Transportation	3%	5%
Food Services	2%	2%
Bond & Note Interest	1%	1%
Other Expenses	1%	0%
Total Expenses	100%	100%

As shown in the table, the proportion of Keene School District’s spending on regular instruction is below that of the state average, and for special education programs is a bit less than average. Keene spends a lower percentage on pupil transportation than the state average and a bit more on administration.

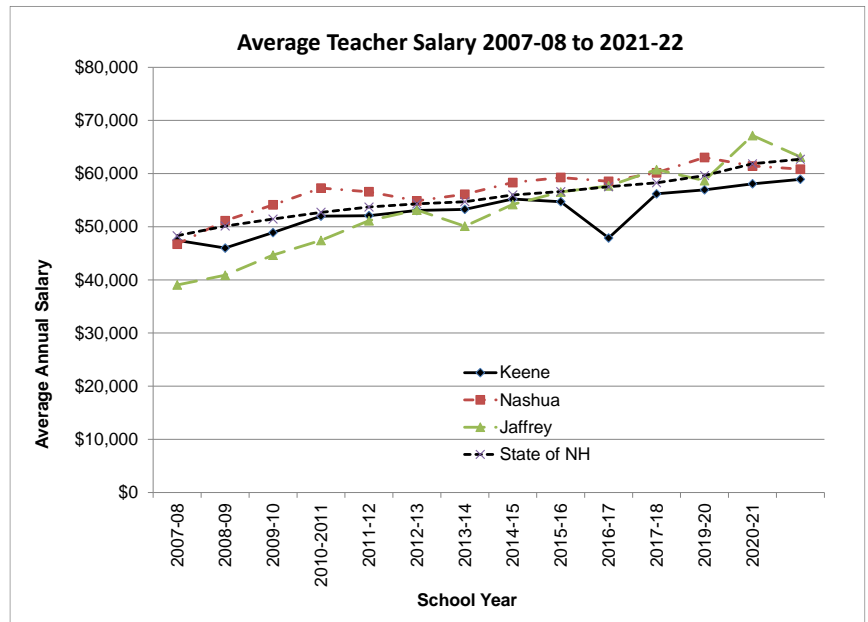
How Much Do Teachers Earn in Keene?

Figure 3

In 2007-08 there were 299 teachers in Keene. In 2021-22 there were 264 teachers.

In 2021-22 the average teacher salary in Keene was \$58,926. This was 6% less than the state average of \$62,695. Since 2008, Keene’s average teacher salary has been below the state average and also has hovered around that of Jaffrey and Nashua.

Keene’s average teacher salary increased by 24% from 2007-08 to 2022-22. At the same time, the Consumer Price Index increased by 36%.



Average teacher salary is affected by two things: the actual salary schedule of a district and the number of years of teaching experience among the teachers. Teacher salary schedules generally increase salaries as teachers gain experience through years on the job. It is therefore possible for two districts that have identical salary schedules to have different average salaries. The salary of a newly recruited teacher depends on the district’s salary schedule, not on the average teacher’s salary.

On the other hand, starting salaries show us what a recent college graduate (bachelor's degree) could earn as a first-time teacher in a district. This is important for hiring and retaining quality teachers over the long term. The starting salaries for teachers with a bachelor's degree in New Hampshire ranged from \$31,712 to \$59,752 in the 2021-22 school year.

Keene School District has a starting salary for its teachers of \$40,000 for the 2021-22 school year. Keene's starting salary for teachers was 2% lower than the state average of \$40,478 in 2021. In Figure 4, schools like Nashua and Jaffrey-Rindge Cooperative have higher starting salaries than Keene.

How Does Keene Pay for Public Schools?

Figure 5 shows all the various revenue sources that Keene uses to pay for its students' education, measuring them on a per-pupil basis. It also compares Keene'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, Keene School District's total school revenue was \$22,800 per pupil, a bit more than the state average of \$22,066. Property taxes (local plus statewide) provided \$34,354,488 or 50% percent of the \$69,297,921 overall amount, also a bit less than the state average. Keene received \$4,114 state "adequacy" aid per pupil. The state average aid was \$3,762.

Figure 4

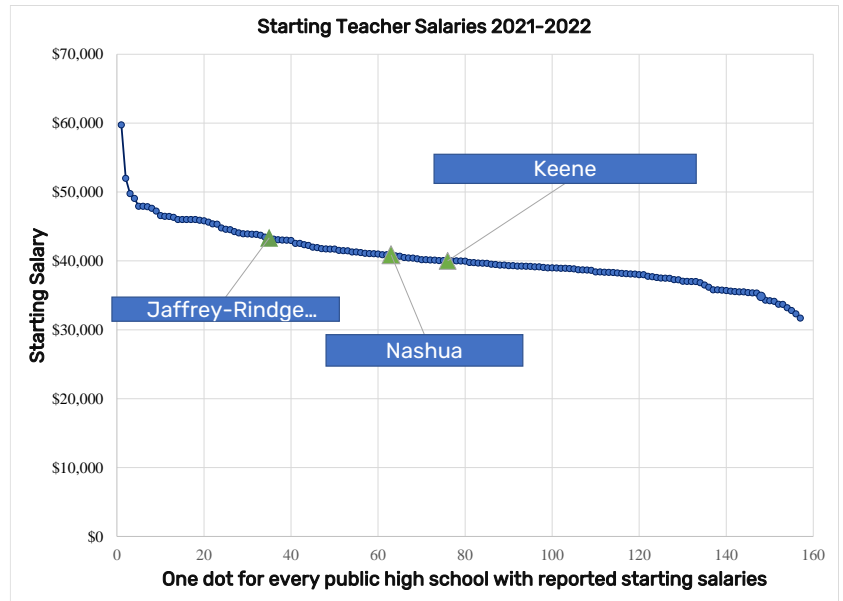
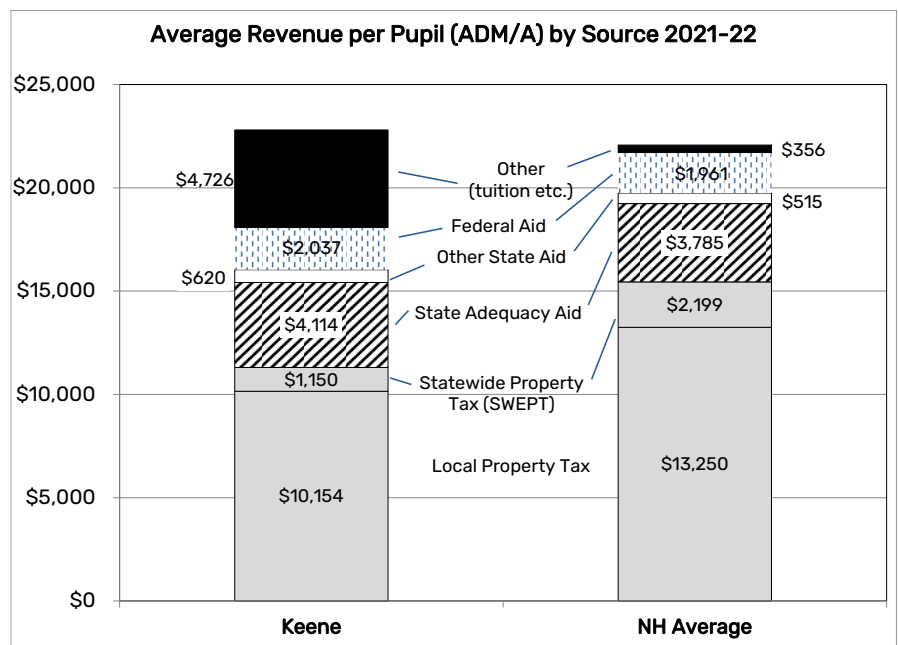


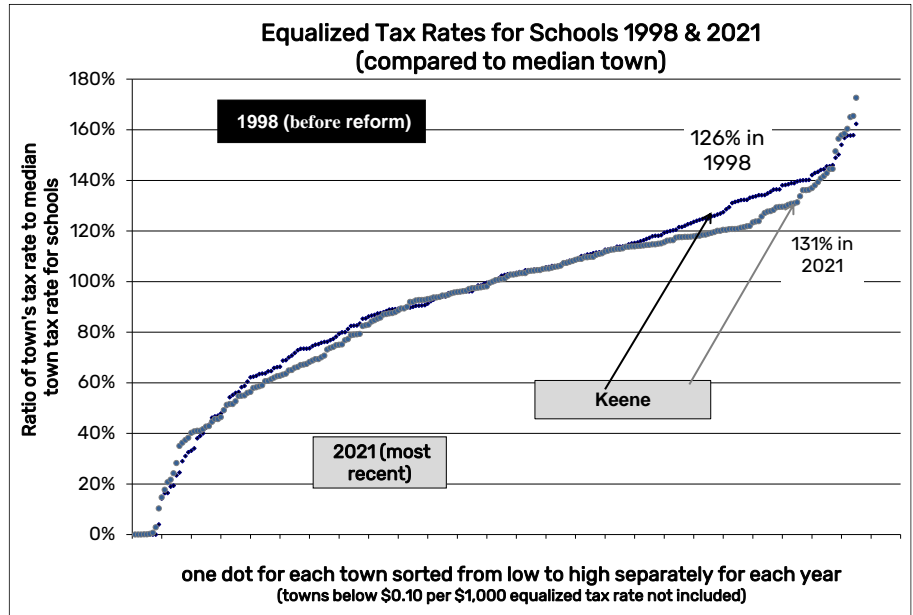
Figure 5



How Do Keene’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, Keene’s equalized property tax rate for its schools was \$23.48 per \$1,000 of property value. This rate was 126% of the median town. In 2021, the equalized school property tax rate in Keene was \$14.21 per \$1,000 of value (a \$12.70 local tax rate plus a \$1.51 state tax rate, which is retained locally) or 131% of the median town.

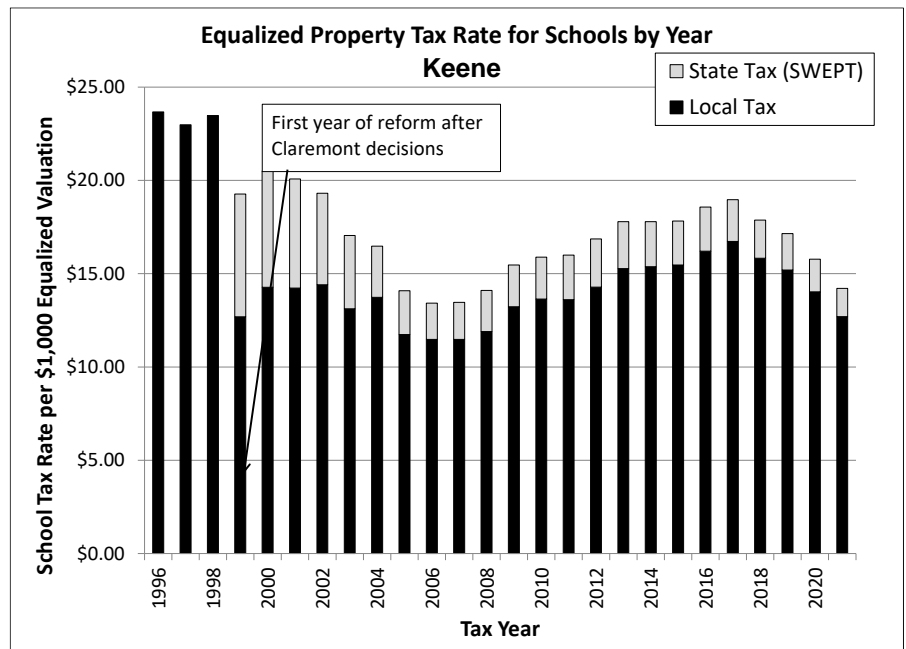
Figure 6



How Has Keene’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 \$6.58 per thousand equalized valuations in Keene. Also, in 1999 the state began the distribution of its new “adequacy aid” to each district. The result for Keene was a sudden reduction in its equalized tax rate from \$23.48 per thousand in 1998 to \$19.27 in 1999. The 2021 equalized rate is \$14.21.

Figure 7

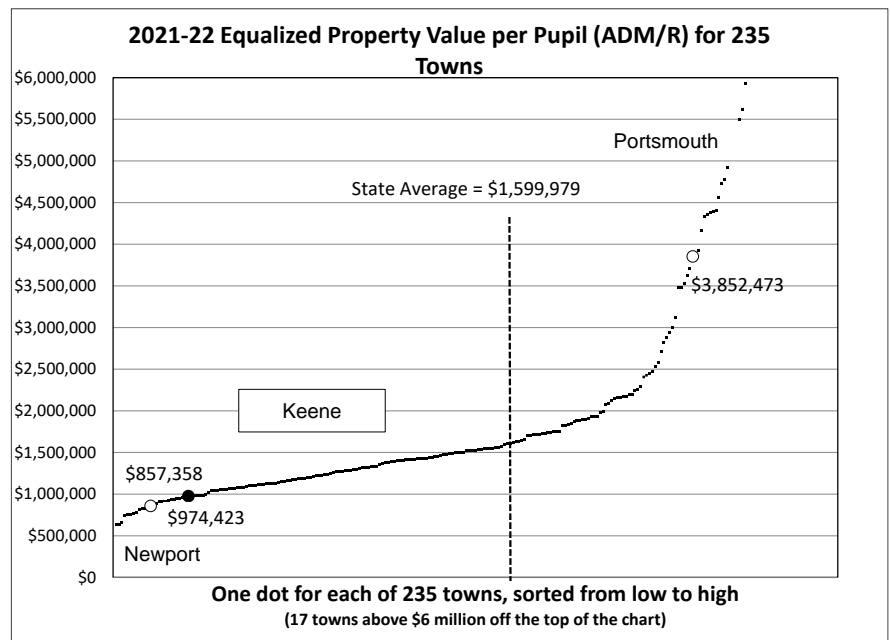


How Do Property Values in Keene Compare to Other Communities?

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, Keene had \$2,430,594,340 of equalized property valuation and 2,494 students (as measured by average daily membership in residence or ADM-R). This means that Keene’s EQVP that year was \$974,423. The state average EQVP was \$1,599,979. Keene had 60 percent of the state average. Newport is an example of one of the few communities that had less property value per pupil than Keene.

Figure 8



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.