

Answers to Key Questions about School Funding in Concord

December 2023

New Hampshire’s public school system – and how money is raised to pay for it – touches the lives of all Granite Staters yet can often be difficult to understand. Below are a few questions you might have about how schools are funded in Concord, 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 Concord 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, Concord spent \$6,890 per elementary school student or 116% typical (or median) town’s spending. In the school year 2021-22, Concord spent \$22,790 per elementary pupil, which was 104% of the NH Median.

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

Figure 1

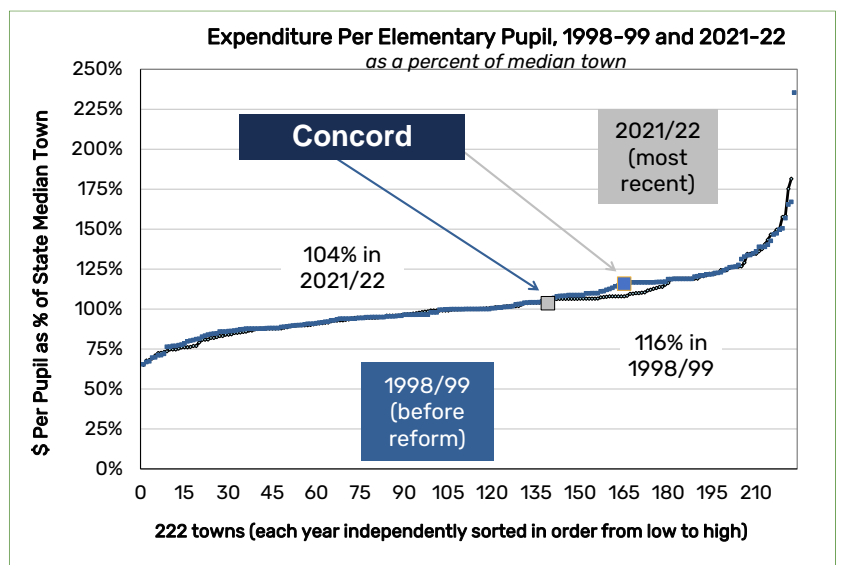
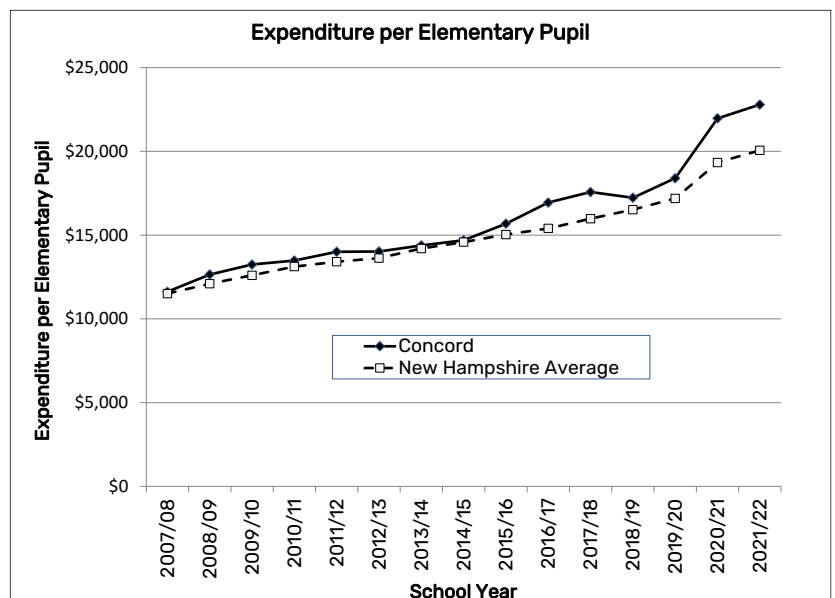


Figure 2



All told, 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 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.

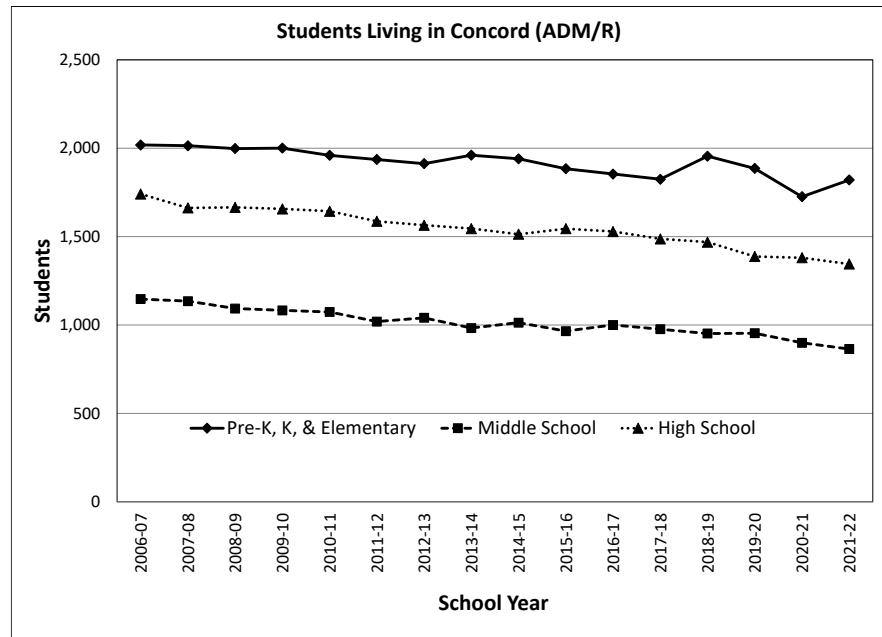
Spending by Type	Percentage	
	Concord	NH Average
Regular Instruction	37%	39%
Special Programs	19%	19%
Vocational Programs	2%	1%
Other Instructional Programs	2%	2%
Student Support Services	10%	8%
Instructional Support Staff	6%	4%
Administration	9%	10%
Plant Operations	8%	8%
Pupil Transportation	4%	5%
Food Services	2%	2%
Bond & Note Interest	1%	1%
Other Expenses	0%	0%
Total Expenses	100%	100%

As shown in the table, the proportion of Concord School District’s spending on regular instruction is less than the state average, and spending on vocational programs is higher than average. Concord spends a higher amount on student support services than the state average.

How Many Students Are Enrolled in Concord School District’s Schools?

Figure 3

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, ADM/R has been in slow decline in New Hampshire in recent years, attributable to declining birth rates. At Concord Schools, there has been a decrease of 17.9 percent since 2006-07. Figure 3 displays ADM/R trends at Concord’s elementary, middle, and high schools for the past fifteen years. During this period, the number of elementary students decreased by 9.8 percent, middle school students decreased by 24.7 percent, and high school students decreased by 22.8 percent.



How Does Concord Pay for Public Schools?

Figure 4 shows all the various revenue sources that Concord uses to pay for its students' education, measuring them on a per-pupil basis. It also compares Concord'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 in Concord and across the state.

During the 2021-22 school year, Concord School District's total school revenue was \$24,976 per pupil, a bit more than the state average of \$21,642. Property taxes (local plus statewide) provided \$16,124 or 65% percent of the overall amount. Concord received \$3,665 state "adequacy" aid per pupil. The state average aid was \$3,905.

How Do Concord'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, Concord's equalized property tax rate for its schools was \$22.24 per \$1,000 of property value. This rate was 119% of the median town. In 2022, the equalized school property tax rate in Concord was \$11.14 per \$1,000 of value (a \$10.22 local tax rate plus a \$0.92 state tax rate, which is retained locally) which was also 119% of the median town.

Figure 4

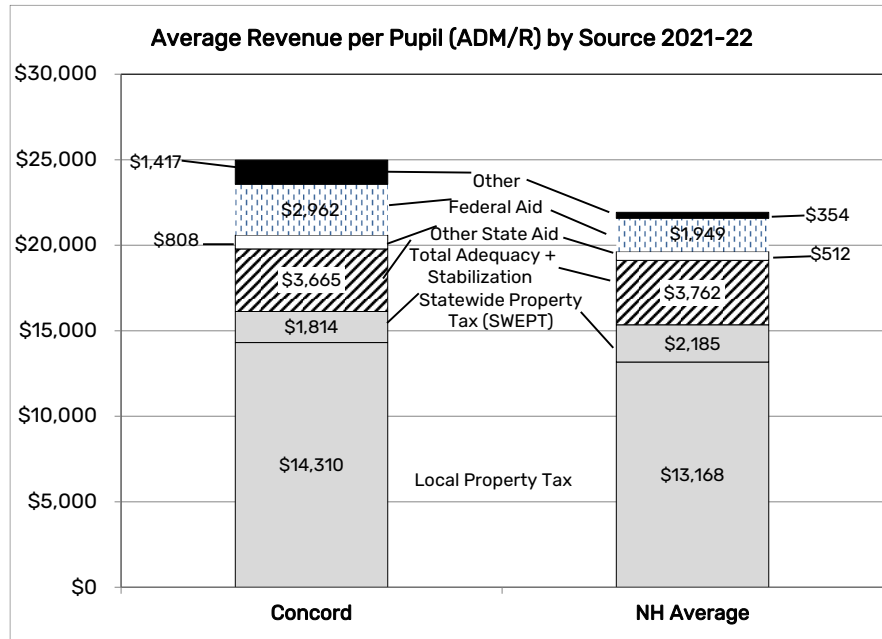
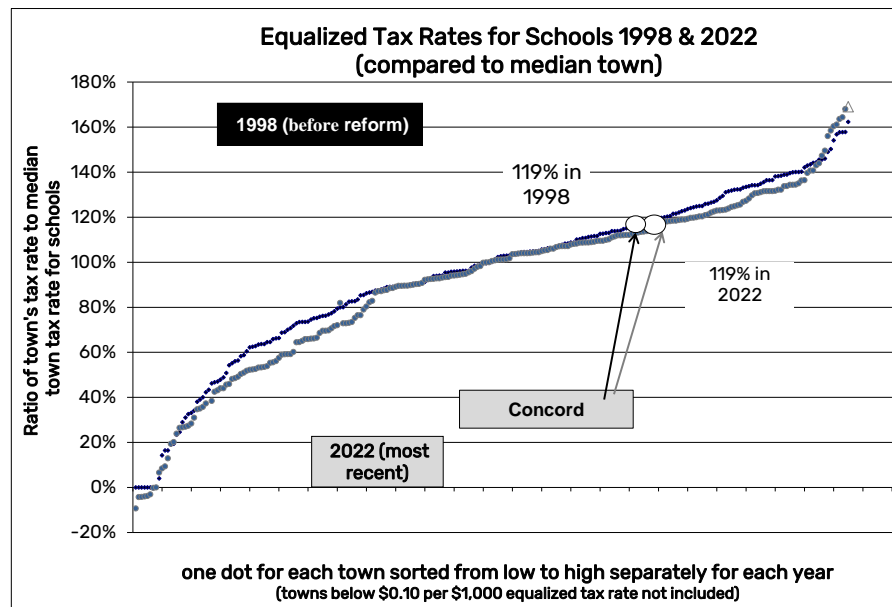


Figure 5



What Does Concord Spend on Special Education?

Under federal and state law students with physical, mental, or learning disabilities require special additional services to support their learning. An Individual Education Program (IEP) is created for each student. The cost of these services is tracked within the overall spending of each district.

As shown in this table, in 2021-22 Concord spent \$ 24,519,613.67 for these additional services.

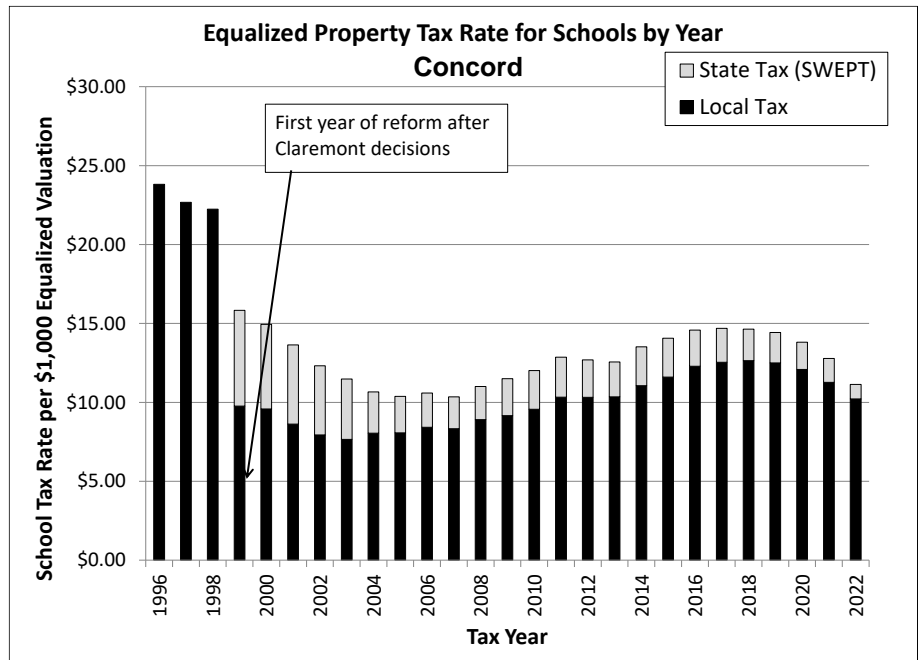
Function	Amount
Instruction	\$17,199,428.79
Instruction Related	\$5,766,085.33
Administration	\$208,986.24
Legal	\$32,032.50
Transportation	\$1,313,080
TOTAL	\$24,519,613.67

During that year, Concord had 719 students with IEPs. On average, this was an additional \$34,389.359 for each student. In the state overall there were 30,393 such students; the total cost was \$842,738,008, and the average cost per student with an IEP was \$27,728. The average cost for extra services for each student with an IEP at Concord was significantly more than the average throughout the state.

How Has Concord's School Property Tax Rate Changed Over Time?

Figure 6

The reforms enacted in 1998 imposed the Statewide Education Property Tax (SWEPT). In 1999 its rate was \$6.07 per thousand equalized valuations in Concord. Also, in 1999 the state began the distribution of its new "adequacy aid" to each district. The result for Concord was a sudden decrease in its equalized tax rate from \$22.24 per thousand in 1998 to \$15.83 in 1999. The 2022 equalized rate is \$11.14.

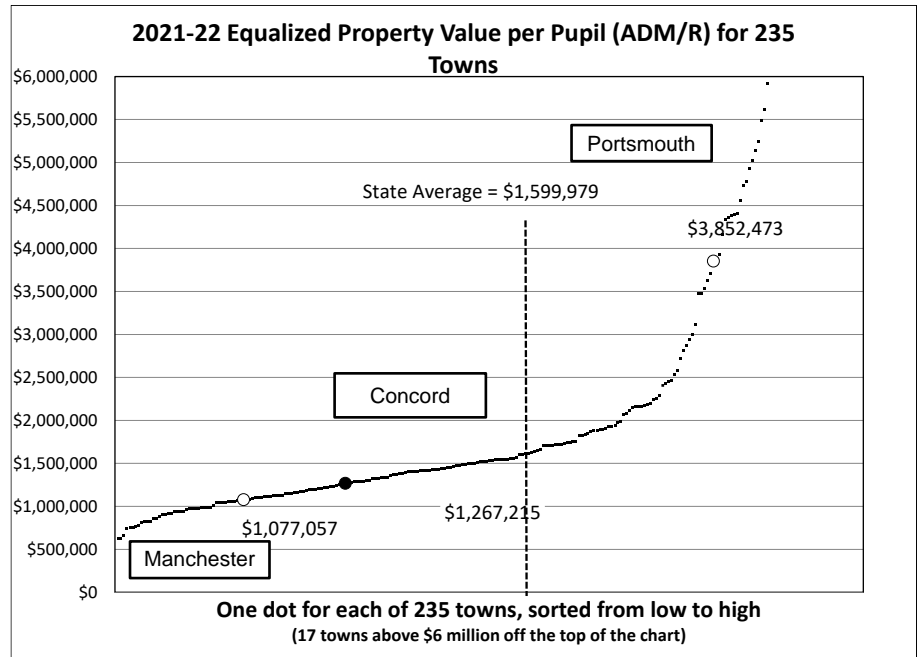


How Do Property Values in Concord Compare to Other Communities?

The most important statistic that relates to the ability of different towns to raise taxes for 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 2022, Concord had \$5,105,821,013 of equalized property valuation and 4,029 students (as measured by average daily membership in residence or ADM-R). This means that Concord's EQVP that year was \$1,267,215. The state average EQVP was \$1,599,979. Concord had 79 percent of the state average. Manchester is an example of one of many communities that had less property value per pupil than Concord.

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.