

# Answers to Key Questions about School Funding in Chichester

February 2024

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 challenging to understand. Listed below are a few questions you might have about how schools are funded in Chichester 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 Chichester 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, Chichester spent \$5,475 per elementary school student or 92 percent of the typical (or median) town’s spending. In the school year 2022-23, Chichester spent \$22,540 per elementary pupil, which was 99 percent of the NH Median.

Figure 2 compares spending per elementary pupil in Chichester and the state average for the past fifteen years. It shows that spending in Chichester has remained above the state average and was \$2,217 per pupil above the state average in 2023. Smaller school districts typically have higher spending per pupil than the average because they lack efficiency of scale.

Figure 1

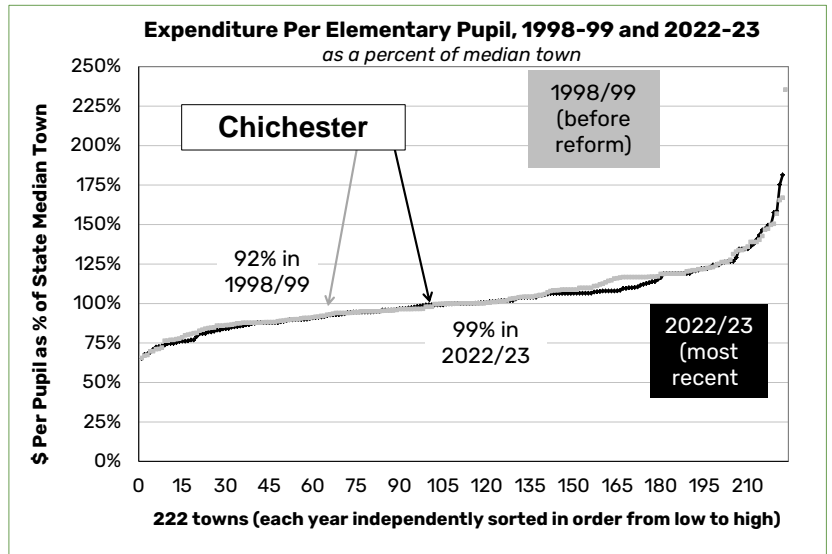
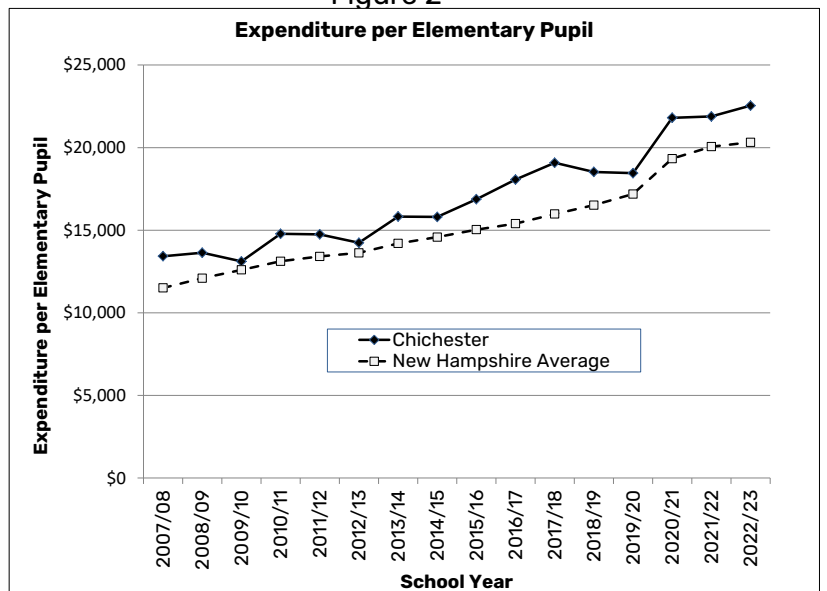


Figure 2



New Hampshire’s public school districts spent \$3.80 billion during the 2022-23 school year. Of that amount, 39 percent was dedicated to regular classroom instruction, 19 percent to special education, 11 percent to administration, 9 percent to building operations, and the remainder was devoted to transportation, food services, and other purposes.

As shown in Table 1, the proportion of Chichester School District’s spending on regular instruction and transportation were much higher than the average while spending on and special programs, plant operations, and administration were lower.

Table 1

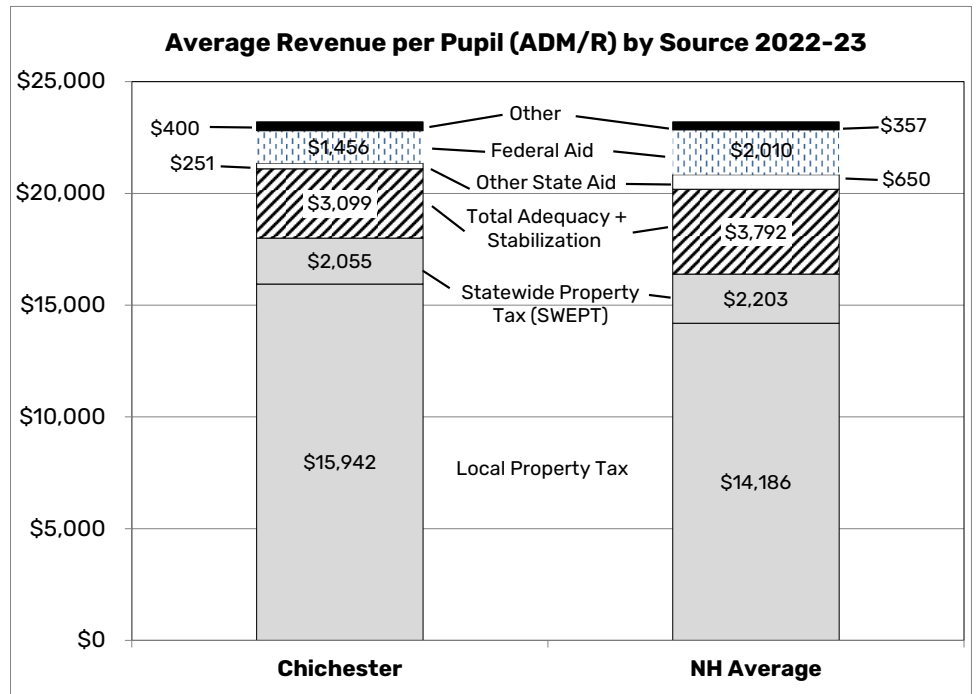
Spending by Type	Percentage	
	Chichester	NH Average
Regular Instruction	52%	39%
Special Programs	17%	19%
Vocational Programs	0%	1%
Other Instructional Programs	1%	2%
Student Support Services	6%	8%
Instructional Support Staff	3%	4%
Administration	7%	11%
Plant Operations	5%	9%
Pupil Transportation	9%	5%
Food Services	1%	1%
Bond & Note Interest	0%	1%
Other Expenses	0%	0%
<b>Total Expenses</b>	<b>100%</b>	<b>100%</b>

### How Does Chichester Pay for Public Schools?

Figure 3 shows all the various revenue sources that Chichester uses to pay for its students’ education, measuring them on a per-pupil basis. It also compares Chichester’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 2022-23 school year, Chichester School District’s total school revenue was \$23,203 per pupil, only \$5 different from the state average of \$23,198. Property taxes (local plus statewide) provided \$17,997 per pupil or 78 percent of the overall amount, more than the state average of 71 percent. Chichester received \$3,099 in total state “adequacy grant” per pupil. The state average such aid was \$3,792.

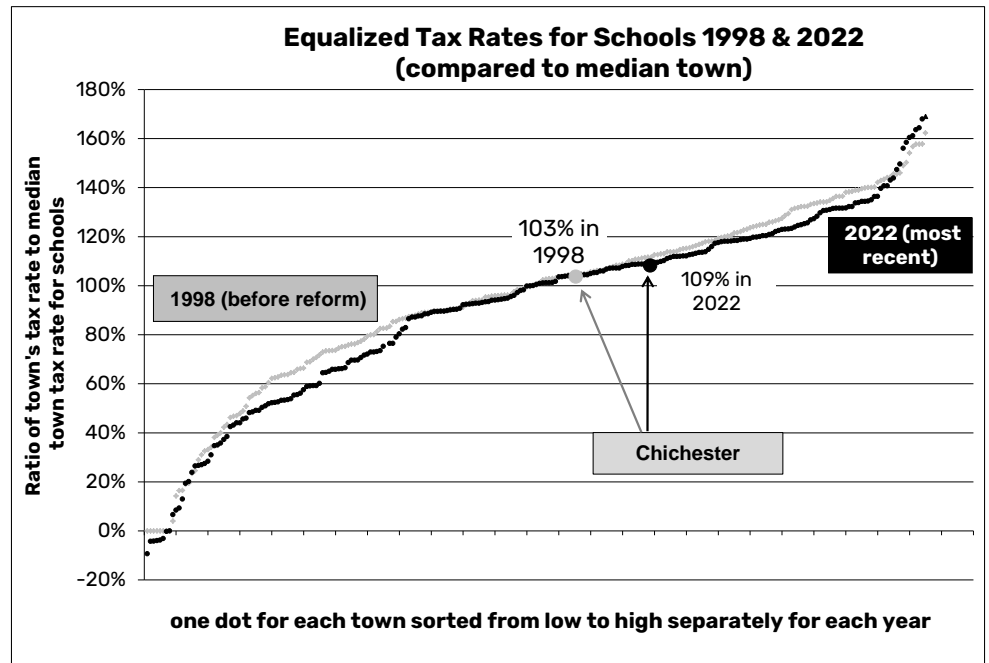
Figure 3



## How Do Chichester'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, Chichester's equalized property tax rate for its schools was \$19.28 per \$1,000 of property value. This rate was 103 percent of the median town. In 2022, the equalized school property tax rate in Chichester was \$10.19 per \$1,000 of value (a \$9.31 local tax rate plus a \$0.88 state tax rate, which is retained locally). This was 109 percent of the median town.

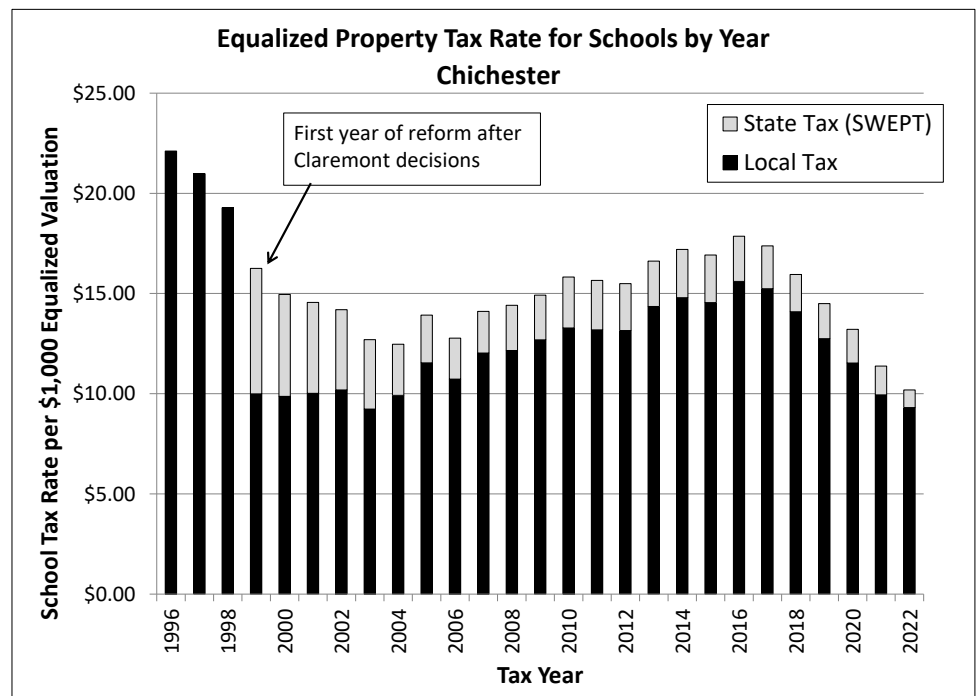
Figure 4



## How Has Chichester'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 \$6.26 per thousand equalized valuation in Chichester. Also, in 1999 the state began the distribution of its new "adequacy aid" to each district. The result for Chichester was a decrease in its equalized tax rate from \$19.28 per thousand in 1998 to \$16.25 in 1999. The 2022 equalized rate was \$10.19, the lowest equalized rate in more than 25 years

Figure 5



## How Much Do Teachers Earn in Chichester?

In 2007-08 there were 23 teachers in Chichester. In 2022-23 there were 21 teachers.

In 2022-23 the average teacher salary in Chichester was \$64,223. This was almost identical to the state average of \$63,926. With the exception of only 2020-21, Chichester's average teacher salary has remained below that of Concord and above that of Pittsfield.

Chichester's average teacher salary increased by 17 percent from 2007-08 to 2022-23. At the same time, the Consumer Price Index increased by 42 percent. During the same period, the average salary in Concord increased by 45 percent.

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 first year 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 \$64,007 in the 2022-23 school year.

Chichester School District had a starting salary for first year teachers (with a BA degree) of \$41,675 for the 2022-23 school year. Chichester's starting salary for teachers was 16% higher than the unweighted state average of \$42,560. Figure 7 shows Chichester, Concord, and Pittsfield starting salaries in comparison to all others in the state. As seen, Chichester falls toward the middle.

Figure 6

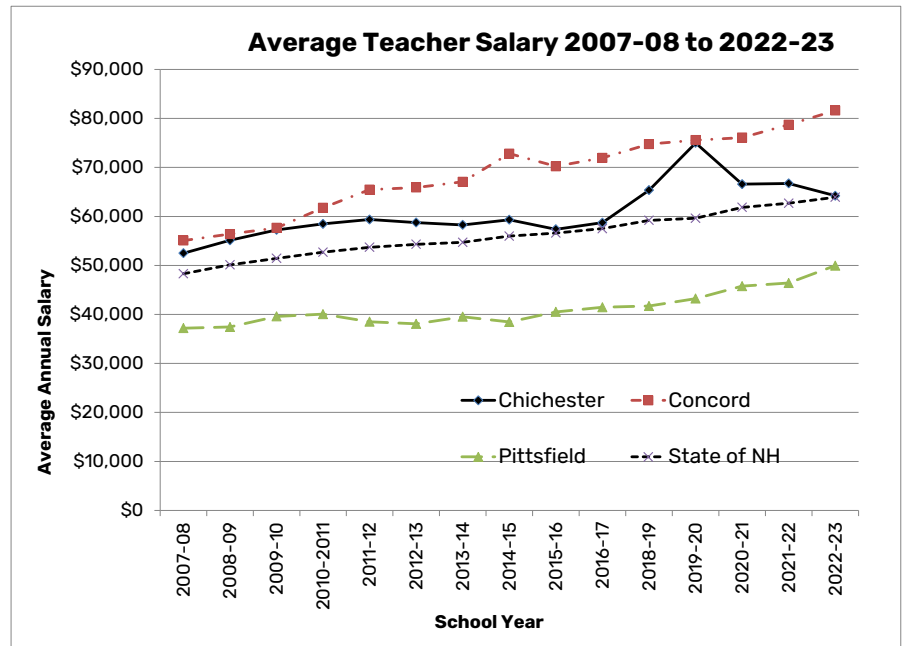
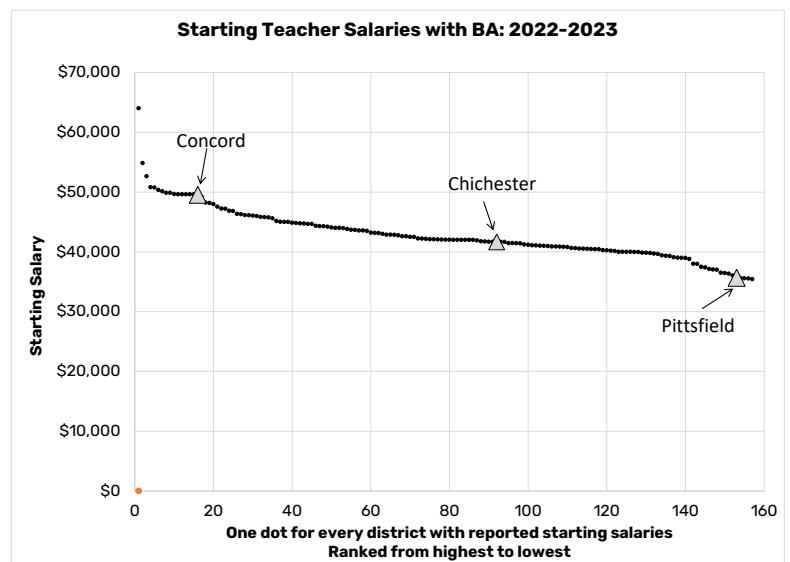


Figure 7



## What Does Chichester 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 Plan (IEP) is created for each such student. The cost of these services is tracked within the overall spending of each district.

As shown in Table 2, in 2022–23 Chichester reported spending \$1,491,087 for these additional services.

During that year, Chichester had 52 students with IEPs. On average, this was \$28,675 for each such student. In the state overall there were 30,965 such students and the total cost was \$915,220,911. The statewide average was \$29,557. The average cost for extra services for each student with an IEP in Chichester was a bit less than the average throughout the state.

These costs *are in addition to* the share of non-special education costs that are shared among all students. While \$28,675 was the average extra cost, for some students with considerable disability, the cost can be much higher than the average while for others it may be only a few hundred dollars.

## How Do Property Values in Chichester 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.

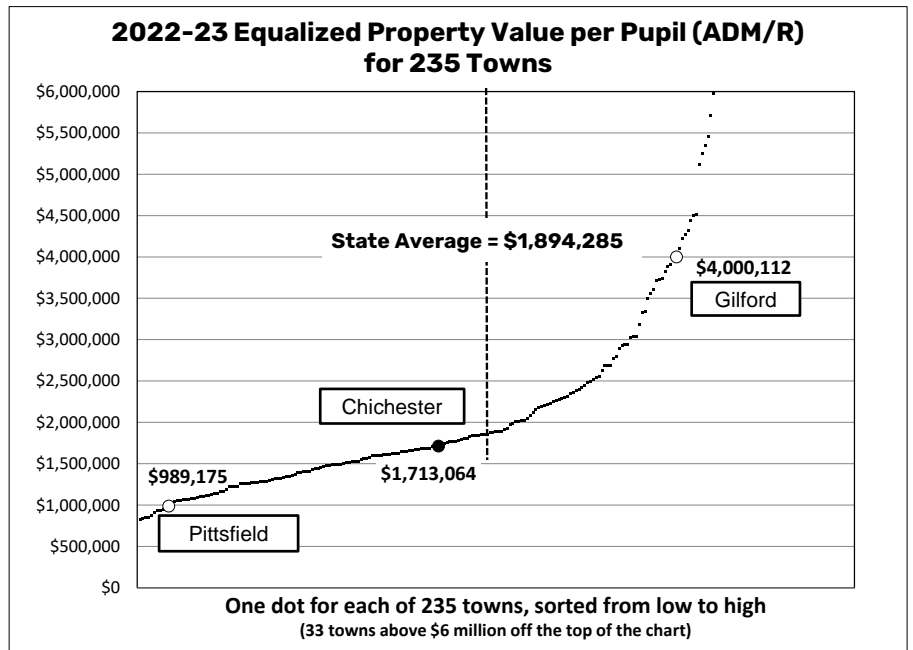
In 2022, Chichester had \$512,804,333 of equalized property valuation and 299 students (as measured by average daily membership in residence or ADM-R). This means that Chichester’s EQVP that year was \$1,713,064. The state average EQVP was \$1,894,285. Chichester had 94 percent of the state average.

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

Table 2

Function	Amount
Instruction	\$1,049,241
Instruction Related	\$233,682
Administration	\$18,516
Legal	\$0
Transportation	\$139,648
TOTAL	\$1,491,087

Figure 8



*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.*