

New Hampshire’s public school system, and the methods used to fund it, affect all Granite Staters but can often be difficult to grasp. Below are some common questions about Newport school funding, along with key facts and figures. We hope this information sheds light on the inequities that continue to challenge our school funding.

### What Does Newport Spend on Public Schools? How Does It Compare to Other Communities?

In the 1998-99 school year, the last year before New Hampshire increased education aid in response to the Claremont rulings, Newport spent \$5,287 per elementary student, or 89 percent of the median spending among towns. In 2022-23, Newport’s per-pupil spending had increased to \$22,729, which was 100 percent of the state median.

Figure 2 highlights the spending trends over the past 15 years, comparing Newport’s expenditure per elementary student to the state average. The data reveals that Newport’s spending has fluctuated around the state average, with spending in 2023 above the state average by \$2,400.

Figure 1

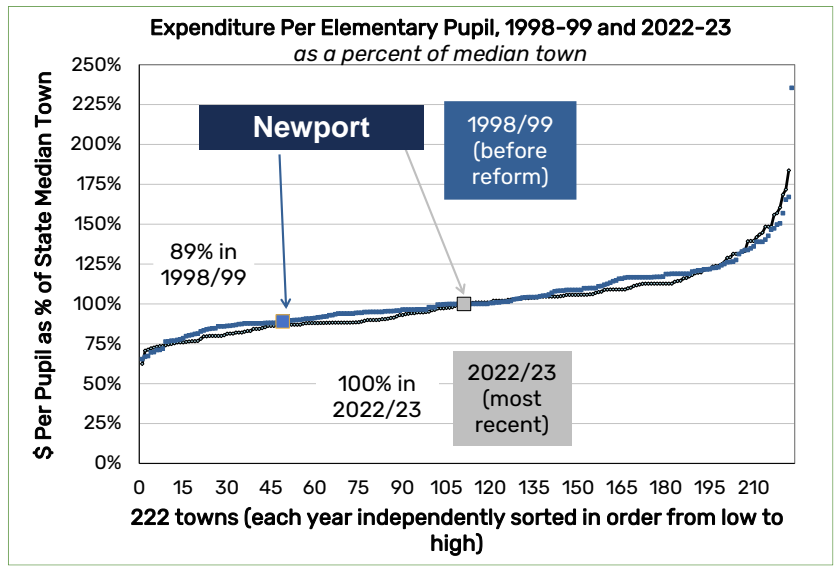
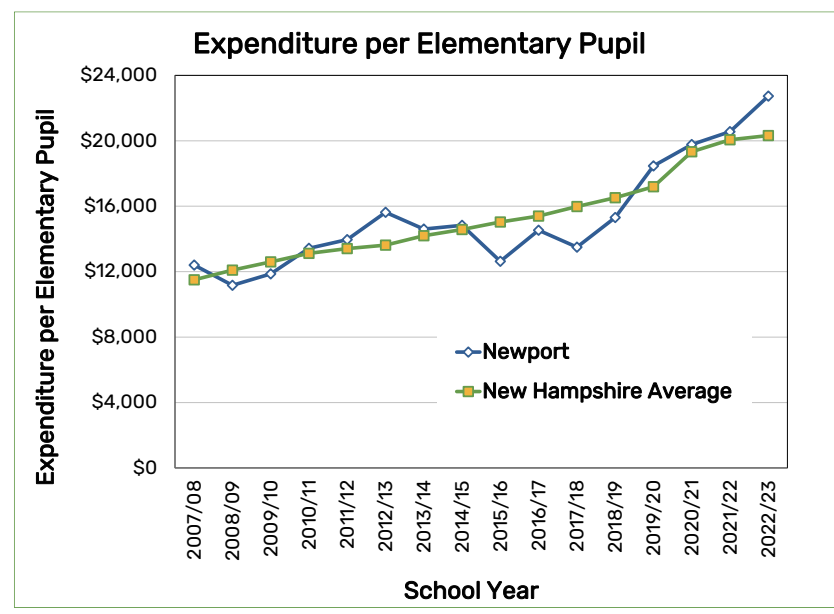


Figure 2



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 Newport’s spending on regular instruction was much lower than the average. In contrast, spending on administration, support staff, and plant operations was higher.

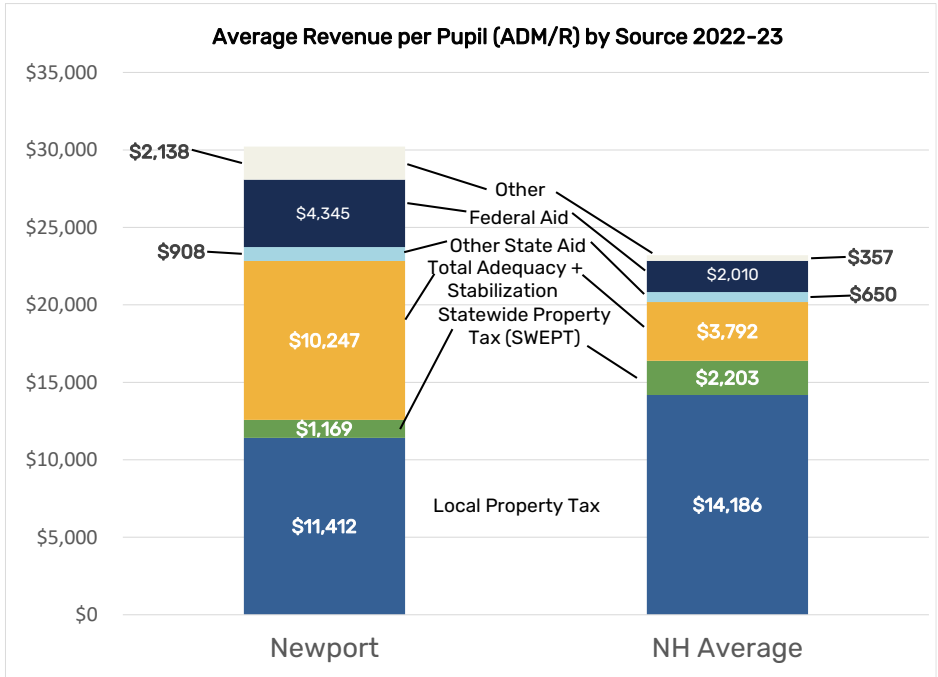
Spending by Type	Percentage	
	Newport	NH Average
Regular Instruction	27%	39%
Special Programs	19%	19%
Vocational Programs	4%	1%
Other Instructional Programs	2%	2%
Student Support Services	9%	8%
Instructional Support Staff	6%	4%
Administration	14%	11%
Plant Operations	13%	9%
Pupil Transportation	4%	5%
Food Services	2%	1%
Bond & Note Interest	1%	1%
Other Expenses	0%	0%
<b>Total Expenses</b>	<b>100%</b>	<b>100%</b>

**How Does Newport Pay for Public Schools?**

Figure 3 shows all the various revenue sources that Newport uses to pay for its students’ education, measuring them on a per-pupil basis. It also compares Newport’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, Newport School District’s total school revenue was \$30,218 per pupil, much more than the state average of \$23,198. Property taxes (local plus statewide) provided \$12,581 per pupil or 42 percent of the overall amount, much less than the state average of 71 percent. Newport received \$10,247 in total state “adequacy grant” per pupil. The state average aid was \$3,792.

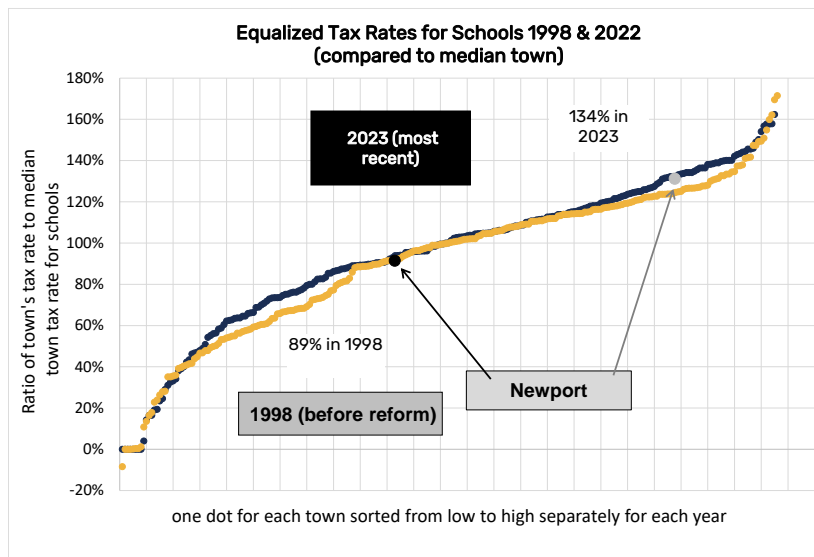
Figure 3



## How Do Newport'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, Newport's equalized property tax rate for its schools was \$16.64 per \$1,000 of property value. This rate was 89 percent of the median town. In 2023, the equalized school property tax rate in Newport was \$12.51 per \$1,000 of value (a \$11.41 local tax rate plus a \$1.10 state tax rate, which is retained locally). This was 134 percent of the median town.

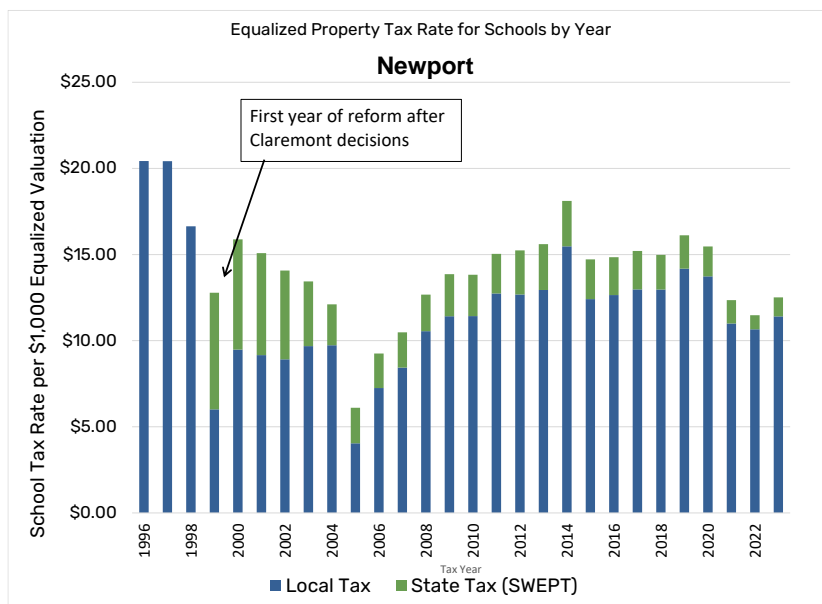
Figure 4



## How Has Newport'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 \$6.77 per thousand equalized valuations in Newport. Also, in 1999 the state began the distribution of its new "adequacy aid" to each district. The result for Newport was a decrease in its equalized tax rate from \$16.64 per thousand in 1998 to \$12.78 in 1999. The 2023 equalized rate was \$12.51.

Figure 5

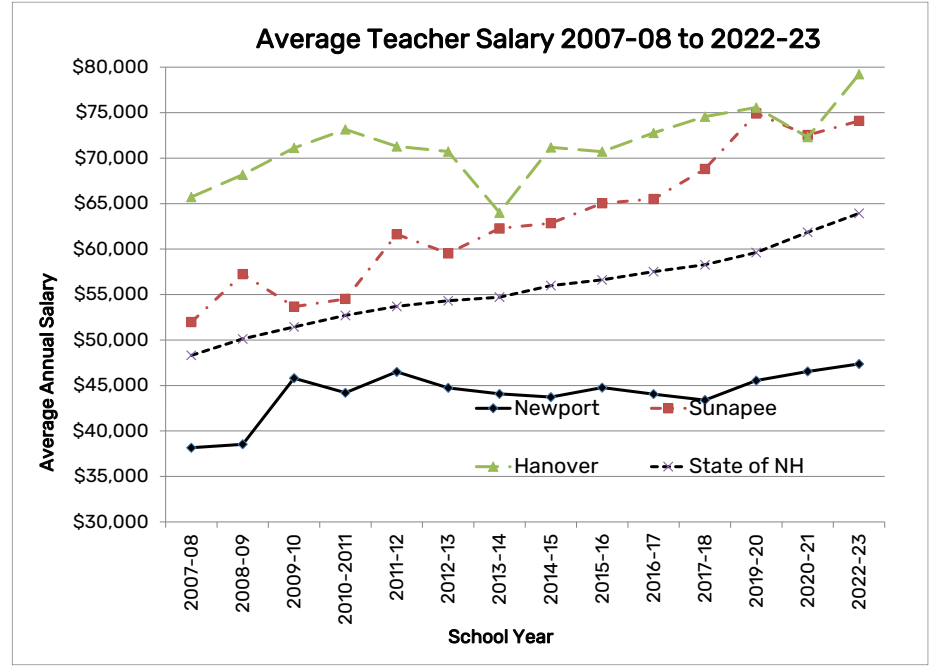


### How Much Do Teachers Earn in Newport?

In 2007-08, Newport had 100 teachers, but by 2022-23, that number had decreased to 80. During the 2022-23 school year, the average teacher salary in Newport was \$47,368, 26% lower than the state average of \$63,926. Newport consistently remaining below both the state average and Hanover and Sunapee since 2008. Over the same period, Newport's average teacher salary increased by 23 percent, while the Consumer Price Index increased 42%, while Concord saw a 45 percent rise.

The average teacher salary is influenced by both the district's salary schedule and the experience levels of its teachers, which can result in salary differences between districts with similar pay scales. Starting salaries, a key factor in attracting and retaining quality teachers, ranged from \$31,712 to \$64,007 in New Hampshire for the 2022-23 school year. Newport offered a starting salary of \$37,379, with Newport's starting pay 13 percent lower than the unweighted state average of \$42,560.

Figure 6



### What Does Newport 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 such student. The cost of these services is tracked within the overall spending of each district.

As shown in the table below, in 2022-23 Newport reported spending \$5,001,948.89 for these additional services.

Function	Amount
Instruction	\$3,782,365.15
Instruction Related	\$759,455.54
Administration	\$251,227.20
Legal	\$0.00
Transportation	\$208,901.00
<b>TOTAL</b>	<b>\$5,001,948.89</b>

During that year, Newport had 204 students with IEPs. On average, this was \$24,519 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 at Newport was lower than the average throughout the state.

These costs *are in addition to* the non-special education costs that are shared among all students. While \$29,557 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.

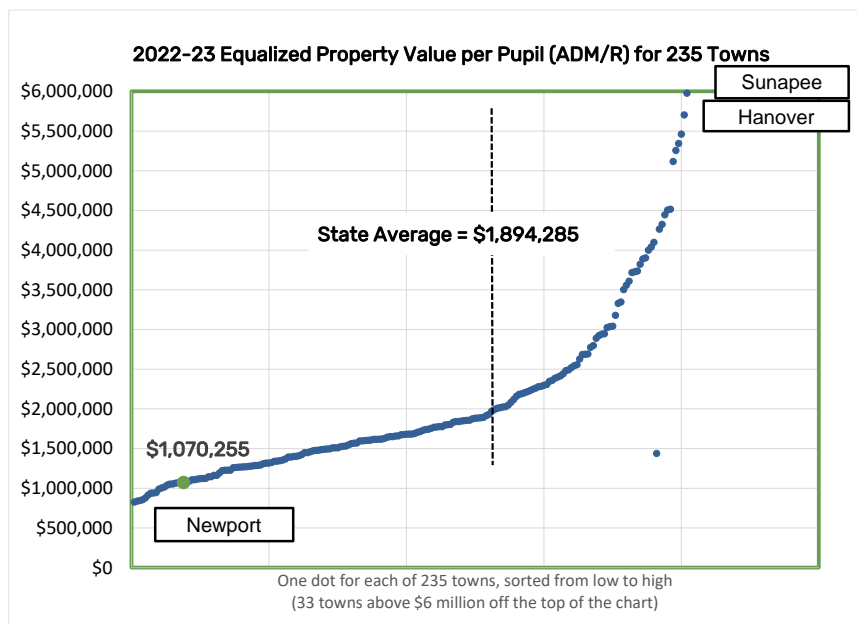


## How Do Property Values in Newport Compare to Other Communities?

The most important metric reflecting a town’s capacity to raise taxes for its schools is the Equalized Property Value per Pupil (EQVP). This figure answers the question: “What financial resources are available in our town to be taxed for each student funded by the school budget?” A higher EQVP allows a town to generate the same revenue with a lower school property tax rate.

In 2022, Newport had \$765,303,752 of equalized property valuation and 715 students (as measured by average daily membership in residence or ADM-R). This means that Newport’s EQVP that year was \$1,070,255. The state average EQVP was \$1,894,285. Newport had 74.1% percent of the state average. Sunapee (\$8,165,103) and Hanover’s (\$3,334,577) EQVP were too high for the graph.

Figure 7



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.

*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.*