



4. Amend law regarding transportation of students to reflect current practices.

At yesterday's meeting the Committee voted 7-1 to recommend the report, with minor amendments which included a 5<sup>th</sup> recommendation. The 5<sup>th</sup> recommendation will recommend that a Standing Commission be established to monitor the changes to the formula and to determine if additional adjustments to the formula will need to be made.

The Committee, however, did not, and was not charged with addressing how to fund these recommendations and the new formula. During the course of several Committee meetings, several of the Committee members referenced HB 1802, the bill that failed last session which would have those communities that raise "excess SWEPT" no longer retain that money for their schools but pay it over to the state. Several Committee members voiced their support for HB 1802 but the Committee as a whole decided it would not address the funding issue. The Committee anticipated that the school funding issue would be raised in separate bills during the next Legislative Session.

The Coalition Communities should also be aware that the issue of how to fund education is going to be heavily debated next session. The reason for that is not solely because of the bill that is going to come out of the Committee. The issue of education funding has been addressed in recent meetings throughout the state. John Tobin, the attorney for the Claremont lawsuits, spoke before the Committee, and gave the Committee the attached talking points that have been addressed at these meetings. Also, some of these talking points have been adopted in a form letter from school boards to legislators and those running for election.

I am altering you to these issues because I anticipate next session will be one where education funding will be a major topic of discussion for the legislature. I will follow up with the final Committee Report and more information on the education funding issue after the election.

11/22/18

# State of New Hampshire



GENERAL COURT

CONCORD

## MEMORANDUM

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**DATE:** November 1, 2018

**TO:** Honorable Gene G. Chandler, Speaker of the House  
Honorable Chuck W. Morse, President of the Senate  
Honorable Paul C. Smith, House Clerk  
Honorable Tammy L. Wright, Senate Clerk  
Honorable Chris Sununu, Governor  
Michael York, State Librarian

**FROM:** Representative Karen Umberger, Chair

**SUBJECT:** Final Report of the Committee to Study Education Funding and the Cost of an Opportunity for an Adequate Education.  
HB 356, Chapter 190:1, Laws of 2017

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Pursuant to HB 356, Chapter 190:1, Laws of 2017, enclosed please find the Final Report of the Committee to Study Education Funding and the Cost of an Opportunity for an Adequate Education.

If you have any questions or comments regarding this report, please do not hesitate to contact me.

I would like to thank those members of the committee who were instrumental in this study. I would also like to acknowledge all those who testified before the committee and assisted the committee in our study.

Enclosures

cc: Members of the Committee

## FINAL REPORT

### Committee to Study Education Funding and the Cost of an Opportunity for an Adequate Education

HB 356, Chapter 190:1, Laws of 2017

November 1, 2018

Representative Karen Umberger, Chair  
Representative Glenn Cordelli  
Representative James Grenier  
Representative Rick Ladd  
Representative Peter Leishman  
Representative Mel Myler  
Representative Kenneth Weyler  
Senator Regina Birdsell

#### Committee Charge and Study Purpose:

Chapter 190:1, Laws of 2017 Committee Established.

III. The committee shall:

- (a) Evaluate the successes and shortcomings of the funding formula for kindergarten to grade 12 and propose changes to improve the funding formula.
- (b) Review and recommend modification to the education funding formula and the cost for an opportunity for an adequate education.
- (c) Identify the causes of increased per pupil education costs and develop proposals to help local school districts contain increasing costs.
- (d) Identify trends and disparities across the state in student performance in kindergarten to grade 12 and develop policy and funding formula recommendations for improvement.
- (e) Consider other policy issues as the committee may deem necessary.

#### Process and Procedures:

The committee met nineteen times during the study period. The meeting minutes are attached to this report as Appendix D.

## New Hampshire K-12 Enrollment Trends

Currently, New Hampshire schools for the most part are experiencing declining enrollments. Seventeen school districts between 2005 and 2015 had growing enrollment. In some cases, the increase was very small— one or two students, while others had significant enrollment growth. Over the last ten years, the statewide decline in student population has been over 21,000 children. This decline in enrollment has contributed to increasing costs associated with providing an adequate education at the local level.

New Hampshire spends more per pupil than forty-three other states, to the tune of more than \$5,000 per pupil on average. This spending is more a result of local decisions made by local school boards and taxpayers when they approve school budgets than of any action or direction by the state. The past decade has seen an increase in staffing while the enrollment statewide has fallen over 10%. Three areas that have driven increased costs are special education, free and reduced lunch populations, and school administrative units (SAUs). Some of the state's current SAUs have fewer than 500 students while others have more than 1,500 students. The SAUs are required to provide the same services no matter their size. The state does not provide any funding for SAUs. The costs are totally borne by the taxpayers who are part of the SAU directly impacts the local education tax rate. For example, Conway's contribution to SAU 9 was over \$1,00,000 for 2018. A reduction in the number of SAUs, through consolidation for example, would be a local decision, not within the purview of the state.

## Sources of K-12 School Funding

There are two types of public schools in New Hampshire and both receive money from the state. The first is what we think of as regular or traditional public schools and the other is chartered public schools. This report will only be discussing the dollars that are provided to traditional public schools. The state for FY 19 provides funding for base adequacy in the amount of \$3,636.05 per student as well as differentiated aid in the amount of \$1,818.02 for each child eligible for free or reduced price lunch; \$1,956.09 for each child with special education requirements; \$711.40 for English language learners; and \$711.40 for each third grade pupil with a score below the proficient level on the reading component of the state assessment or authorized locally-administered assessment, provided the pupil is not eligible to receive other differentiated aid as previously identified. Kindergarten pupils, prior to FY 19, received half of the adequate education dollars per pupil. The Legislature in FY 18 enacted legislation to authorize Keno statewide with individual cities and towns deciding whether Keno would be implemented in their city or town. The legislation specifically restricts proceeds from Keno to support an additional \$1,100 per kindergarten pupil to the school district. If Keno proceeds exceed the dollars needed to support the \$1,100 in future years, the amount allocated per pupil will increase based on the Keno proceeds. Additionally, dollars from the general fund are provided to the towns for children whose special education costs exceed 3.5 times the cost of an average special education student. Transportation costs for children attending a Career

Technical Center outside their home school district are also paid by the state. Finally, \$138,376,478 is provided to 169 communities to hold a town harmless from a grant decrease that occurred when the formula was changed in FY 2011 -FY 2012. These stabilization grants are currently being reduced at 4% per year. The state overall provided \$924,899,505 in FY 18 toward public school education, of which \$363 million is from the Statewide Education Property Tax (SWEPT) pursuant to RSA 76:3.

The FY 2019 statewide education property tax (SWEPT) rate is \$2.17 per thousand which determines the SWEPT amount each town receives. The SWEPT tax rate per thousand has been declining over time as equalized valuation has increased since SWEPT was introduced. There are thirty-seven towns whose SWEPT amount accounts for all education money the town receives. Towns whose SWEPT dollars cover all education costs receive no additional dollars from the state. If the SWEPT amount exceeds the cost of an adequate education plus differentiated aid, the town retains any excess. Prior to the funding formula change in FY 2011, a municipality returned any amount exceeding the cost of an adequate education plus differentiated aid to the state. These SWEPT dollars exceeding the cost of an adequate education plus differentiated aid are generally used to support the schools.

In FY 2016, the Department of Education (DOE) calculated the state average cost per pupil to be \$15,311 excluding transportation.<sup>1</sup> The range across the state of per pupil costs goes from a low of \$9,585 to a high of \$42, 586.<sup>2</sup> The State funding described above comes from the Education Trust Fund. The Education Trust Fund is funded by a portion of the Business Profits Tax, Business Enterprise Tax, Meals and Rentals Tax, Tobacco Tax, Real Estate Transfer Tax, transfer from the Lottery Commission, Tobacco Settlement, Utility Property Tax, and SWEPT. Schools also receive Title grants from the Federal government that are not included in the money the state provides. The difference between the federal and state aid provided to local districts and their local school costs are provided by local property taxes.

### Local Property Tax Rates and Fiscal Capacity

Local school tax rates vary significantly throughout NH from a high of \$23.75 in Brookline to a low of \$0.34 in New Castle.<sup>3</sup> The state average is \$12.73 with the median being \$13.45.<sup>4</sup> The variance in tax rate does not necessarily correlate to differences in the quality of education, but

<sup>1</sup> New Hampshire Department of Education, Cost Per Pupil By District 2016-2017, updated December 7, 2017, [https://www.education.nh.gov/data/documents/cost\\_pup16\\_17.pdf](https://www.education.nh.gov/data/documents/cost_pup16_17.pdf).

<sup>2</sup> *Id.*

<sup>3</sup> New Hampshire Department of Revenue Administration, Completed Public Tax Rates 2017, <https://www.revenue.nh.gov/mun-prop/municipal/property-tax-rates.htm>.

<sup>4</sup> *Id.* These figures exclude tax data for unincorporated places.

rather on the value of property within each town and the ability of homeowners and businesses to support a higher tax rate. Even though the average income in New Hampshire is one of the highest in the nation, this is not uniform throughout the state. There are numerous school districts whose free and reduced lunch population exceeds 35% and some are as high as 68%. Children are eligible for free or reduced lunch if their household income is below the poverty level and up to 185% of the poverty level. This inequity in income affects the ability of some communities to increase the dollars raised by local property taxes. Also some communities have instituted a tax cap, and as a result, the school tax rate can only increase by the amount of the tax cap.

### Challenges Faced by Small and Remote Districts

There are numerous elementary schools in the state with fewer than 100 children. In most cases, these schools are in the rural areas of New Hampshire which makes it difficult to consolidate because of the distance to the next closest elementary school. Additionally, many of these schools do not want to consolidate for various reasons: possible loss of community center, loss of familiarity with school personnel, loss of school alignment with community traditions, loss of control of administration/finances, etc. Of course this results in the local tax payers picking up a greater tax burden than other (local) areas that have larger student populations, and results in a higher operational cost per pupil. We have also seen towns deciding to pull their students from a school district with which they had a tuition agreement and sent them elsewhere. That leaves the prior receiving school district with greater per pupil expenses because of the sudden drop in the number of students served. Fewer students did not necessarily result in fewer teachers or administrators because of the mix of students who left. These school districts still need to provide educational opportunities for their students, but the cost per student rises and local taxes increase.

Some school districts have looked at consolidation. Costs associated with consolidation may initially be greater than running their own separate district. Each town and school district in the state has its own operational and cultural issues that may work for one town but not necessarily another. This unique, but perhaps inefficient operational philosophy, points to New Hampshire's basic and grounded belief in "local control," that often collides with statutory law that emphasizes that education is a "shared responsibility" between local and state government.

Our current way of distributing adequate education money assumes all school districts in the state are the same. There also seems to be a lack of understanding on the part of local school boards about what the state provides and how education funding is calculated. A couple of examples within the funding formula follow. First, the student to teacher ratio is funded based on 25 students in first and second grade and 30 students in all other grades. The average classroom size is 17 to 1 which results in the local tax payers picking up the difference in providing student education. The universal classroom pupil-teacher ratio was established in the Joint Legislative Oversight Committee on Costing An Adequate Education Report dated February 1,

2008. Secondly, we provide funding for one principal for every 500 children. Schools with fewer than 500 students receive partial or proportional funding based upon the formula of 500 to 1 for their principal.

### Case Study: Pittsfield

Let's look at Pittsfield, which in the 2016-17 school year, had an average daily membership of 534 students in grades K-12. Base adequacy for the town in FY 2018 was \$1,942,746.86 and SWEPT was \$561,693. Pittsfield has a rather high free and reduced price lunch student population (50%) and it received an additional \$501,555.36 in differentiated aid for that category. Special education differentiated aid added \$238,917 and differentiated aid for ELL and third grade reading totaled \$2,134 and \$4,980 respectively. In addition to the money from the adequacy formula, Pittsfield also currently receives a stabilization grant of \$2,010,455. The 2017 local school tax assessment was \$17.79 per thousand. The median household income was \$49,087 in 2016 while the state average was \$68,485. It should be pointed out that the average cost per pupil in Pittsfield schools in 2016-2017 was \$16,314.84 which is \$1,004.17 above the state average. This is an example of a school district struggling to provide an adequate education to its students. There are numerous school districts throughout the state that are facing the same problems. We did not do an analysis of possible efficiencies that Pittsfield might try because the local school board makes the decisions about how much money the community will spend on their schools and the state does not second guess the school board.

The committee recognizes that the present education funding formula does not: 1) account for the percentage of poverty within a municipality through weighted allocation of resources based upon the percentage of students from poverty situations, 2) address the issue of below average median family income levels, and 3) provide those municipalities with the lowest capacity to raise property tax revenue needed support. These are critical elements needing resolution. These elements are necessary in order to provide a well-educated workforce and grow our economy during a time of declining school enrollments. To provide the necessary change, all elements within the adequacy formula may need reconsideration to ensure that the formula is meeting current educational trends and workforce needs. This includes a review of the SWEPT.

### Evolution of State Education Funding Since 2008

At our first meeting, background material was provided to the members including the Joint Legislative Oversight Committee on Costing an Adequate Education, dated February 1, 2008. This committee and subsequent legislation defined the per pupil universal cost of an adequate education. The committee calculated the universal cost at \$3,456. Subsequent legislation has increased the base amount by the Consumer Price Index for all Urban Consumers, Northeast Region using the "services less medical care services" special aggregate index, as published by the Bureau of Labor Statistics, United States Department of Labor. RSA 198:40-d states that "[t]he average change shall be calculated using the three calendar years ending eighteen months



before the beginning of the biennium for which the calculation is to be performed.” The base adequacy for FY 19 is set at \$3,636. In addition to base adequacy, the committee determined that some students who have greater educational needs required additional support from the state to receive the opportunity for an adequate education. This additional money is called differentiated aid. It was designated to support the following groups of students: English Language Learners, special education students, and economically disadvantaged students, identified as those children eligible for the free or reduced price lunch program.

SB 539 passed in May 2008 and implemented the recommendations from the Joint Legislative Oversight Commission on Costing an Adequate Education. SB 539 also awarded different amounts of differentiated aid based on the percentage of free and reduced lunch which varied from \$431 to \$3,450 per student (ADMA). School districts were to separately account for the differentiated aid and use the dollars to enhance programs. SB 539 also implemented Fiscal Capacity Disparity Aid which was based on equalized valuation per pupil and median family income and created a study committee to review Fiscal Capacity, Transition Aid and Diseconomies of Scale. Additionally, SB 539 required that excess Statewide Education Property Tax be remitted to the state.

In 2011, HB 337 repealed Fiscal Capacity Disparity Aid. HB 337 also established that no municipality would receive less than the education grant received in the fiscal year ending June 30, 2011 and ended the practice of state-collection of excess SWEPT funds. Thus was born the stabilization grant.

### The Committee's Work

With this background information, we began delving into the nuts and bolts of student enrollment, equalized valuation tax assessments and tax rates, and how adequate education and stabilization grants are calculated. We asked superintendents from a large SAU and a small SAU to meet with the committee to describe the challenges they are facing in managing their SAUs. We also invited Dr. Mark Joyce and former Representative Doug Hall to brief the committee on their perspectives of what should constitute adequate education funding. The AG's office provided an explanation of the Claremont I and Claremont II Supreme Court Decisions. DRA provided us with information on the calculation of the Statewide Education Property Tax.

We also reviewed local school budgets to see how the dollars were spent and reviewed the DOE 25 which is a report to the state on school expenditures. DOE provided an overview of the Federal Title Programs for a better understanding of the dollars received from the Federal government. We also looked into the dollars school districts receive from the state General Fund for special education for students whose costs exceed 3 ½ and 10 times estimated state average expenditure per pupil. Transportation and tuition costs for students attend a Career Technical Center outside their school district also are funded by the General Fund.

Our Committee Researcher provided information on how other states fund education and we discussed how Maine determines education costs via phone conference with Amy Johnson of the Maine Education Policy Research Institute. Additional information was provided to the committee which consisted of numerous studies that are shaping education policy across the states.

### Committee Recommendations

#### I. End stabilization grants.

The stabilization grants are being paid based on school enrollment in 2011 and do not reflect the current student population of the state. Municipalities and school districts have come to believe they are entitled to receive money for non-existing students. When stabilization grants were introduced in 2011, it was the legislature's intent that the money would help school districts transition to a new funding formula beginning in 2012. However, it was not until 2016 that the stabilization grant began to be reduced by 4% per year with a complete phase out scheduled to occur over a 25-year period. Education dollars should go to support current students.

#### II. Increase base adequacy for all students and increase differentiated aid for students eligible for free or reduced price lunch.

The Committee agreed early on in this study not to attempt to reconstruct the formula, but rather to update the dollar figures in the current formula. It is therefore recommended by the committee that base adequacy be raised to \$3,897 and differentiated aid for students eligible for free or reduced price lunch be raised to \$2,500 with no change to special education funding, English language learner and to eliminate the money for those children who are in 3<sup>rd</sup> grade and reading below proficient level. These dollars would go to all municipalities to be spent on education.

The change in the base adequacy rate was to align the costs based on current salaries and needs of each school district. The money for students eligible for free or reduced price lunch is recognition that it is essential we improve the reading and math proficiency of children in this socio-economic situation. The dollars that were set aside for children who are in 3<sup>rd</sup> grade and reading below proficient level has not proven to be a way to improve proficiency and would be better spent on increasing the free and reduced lunch support for children.

#### III. Enact a grant program designed to provide additional funds to school districts in communities with below average property value per pupil.

In addition to the increased aid discussed above, the committee recognized that many communities do not have the capability to raise taxes due to the communities' below average equalized property valuation and often high percentage of children who are eligible for free or

reduced price lunch. In an effort to assist these communities, a grant program would be initiated based on equalized valuation per student. Those communities whose equalized valuation is at or below \$660,000 would receive an additional \$2,500 per student. The grant amount per pupil would be linearly reduced in relation to equalized property value per pupil to the minimum per pupil grant amount of \$1,000 for a community that has \$1,000,000 in equalized property value per pupil. Any community, no matter its equalized valuation per pupil, that receives federal Title I funds would be eligible for a grant of \$2,500 per student attending the Title I school.

~~...which SNEET covers all costs~~

School districts eligible for the grant program must apply to DOE and provide them with a plan and accountability progress reports.

A. "Umberger" Grant Program Purpose:

The "Umberger" Education grant program is based upon equalized property valuation per student, and is designed to provide funding assistance to eligible school districts in support of academic growth and achievement in grades K-12. Grant recipients may expend grant funds in a manner which best fits local need, and grant funds are not restricted or targeted to any specific group.

B. Grant Plan:

A school district receiving a grant award shall submit to the Department of Education a plan identifying essential programs and accountability indicators, considering educational needs and identifying at what grade levels grant funds will be used. Grant accountability plans must demonstrate new and innovative approaches as well as best educational practices contributing to academic achievement and growth. Initial grant awards will be approved by the Department and awarded for a five-year timeframe with no adjustments.

C. Grant Accountability Progress Report:

The school district shall annually use the statewide assessment, or in consultation with the Department, develop and administer its own standardized accountability grant assessment that identifies a range of learning and yields objective data showing progress toward academic growth and achievement attributable to grant funds. The school district shall submit to the Department an annual grant accountability progress report covering the indicators set forth in the district's grant accountability plan to include district progress on indicators set forth in the delivery of an adequate education pursuant to RSA 193-E: 3.I. The Commissioner may withhold grant resources from a school district if the district does not submit an annual grant accountability report as required and in keeping with established Department protocol.

D. Corrective and Improvement Assistance:

If a school district is not making academic growth and achievement toward grant accountability goals, the Commissioner shall issue notice to the district and may initiate a plan providing corrective and improvement assistance. Grants are also subject to state compliance audits.

IV. Amend RSA 189:6, regarding the transportation of pupils, to reflect the current practice of providing transportation to all K-12 students.

The Committee considered revamping how transportation costs were provided to the school districts. However, as we looked at how SAU's and local school districts provide transportation to the students, we found transportation varied widely across the state. The Committee agreed to leave transportation to and from school within the adequate education formula. All students attending K-12 receive as part of the adequate education formula the same amount for transportation. We agreed to recommend updating RSA 189:6 to clearly state that the district has flexibility to determine its transportation policy. This requires amending RSA 189:6 to read: "The local school district may furnish transportation to all pupils in grades K-12." Within the adequate education formula, \$315 per student is provided for transportation. RSA 189:6 places stipulations on who shall be provided transportation and who may be provided transportation. Because each student receives transportation funding, this statute should be changed to allow the local school board to determine who is furnished with transportation.

### Conclusion

It is recognized there are many options available to determine education funding and the cost of an opportunity for an adequate education. The committee heard several options, but agreed that increasing base adequacy to better reflect current costs and implementing a targeted grant program to deliver additional funds to the neediest communities was the best option to address the cost of an opportunity for all children for an adequate education. Legislation will be filed for the 2019 session to address this formula change. Legislation will also be introduced to change RSA 189:6, relative to pupil transportation.

To access many of the documents considered by the committee in the course of its deliberations, please visit the committee website.<sup>5</sup> The committee respectfully submits its report and appreciates all of the work and the information we received from DOE, folks who testified, and of course our Committee Researcher.

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<sup>5</sup> Committee to Study Education Funding and the Cost of an Opportunity for an Adequate Education, HB 356, Chapter 190:1, Laws of 2017, <http://www.gencourt.state.nh.us/statstudcomm/committees/1365/>.

## MINORITY REPORT

### Committee to Study Education Funding and the Cost of an Opportunity for an Adequate Education

HB 356, Chapter 190:1, Laws of 2017

November 1, 2018

Representative Mel Myler

#### Findings

During the study period, the Committee to Study Education Funding and the Cost of an Opportunity for an Adequate Education accumulated and reviewed volumes of information on the topic of education finance. As a co-sponsor of this bill, its intent was to create a conversation and identification of the issues facing the complex matter of school funding. It has been ten years since the last legislative study issued its report in 2008. All members of the Committee seriously did their due diligence with integrity and resolve.

During our review, it became obvious that the educational disparity that was identified by the Claremont I law suit was still prevalent 30 plus years later. The legislature has failed in its constitutional responsibility to provide an adequate education to NH students (Part II, Article 83) and a uniform tax rate (Part II, Article 5) to assist in the funding of public education. For years, I have observed the unwillingness for the legislature to fully engage a process to address its school adequacy and funding constitutional responsibility. We continue to have rich schools and poor schools based on the property wealth of their community. The result is that some students have a greater educational advantage because of the wealth of the community in which they reside.

As the state concerns itself with the development of a quality work force, public schools are the lynch pin to the economic future of our state. The Committee's majority recommendation continues the history of playing at the margins of the school funding issue by providing additional funding here and there to schools without addressing the core disparities of funding public schools. With all deference to my committee colleagues, more time is needed to fully review educational and funding data to engage interest groups, parents, economists, corporations, educational professionals, legislators, etc., in a transparent process to assess just what type of educational opportunities we want for the students of the state. Such a process will establish a foundation on which we can then build a revenue stream to adequately fund all students.

## Recommendations

My recommendation is to create an Educational Adequacy and Funding Commission to complete the HB356 study which could not be completed in a timely fashion. The Commission's focus would be the same charge as noted in the HB356 study:

1. Evaluate the successes and short comings of the funding formula for kindergarten to grade 12 and propose changes to improve the funding formula.
2. Review and recommend modifications to the education funding formula and the cost for an opportunity for an adequate education.
3. Identify the causes of increased per pupil education costs and develop proposals to help local school districts contain increasing costs.
4. Identify trends and disparities across the state in student performance in kindergarten to grade 12 and develop policy and funding formula recommendations for improvement.

## Appendix A

*Excerpt from Final Report and Findings of the Joint Legislative Oversight Committee Pursuant to 2007  
Laws Chapter 270<sup>6</sup>*

The universal cost of providing the opportunity for an adequate education as defined by RSA 193-E:2-a based on the Committee's findings equals \$3,456 per pupil. The chart below exhibits the calculation of the universal cost based on the Committee's findings.

### 6. Calculating the per pupil universal cost

The universal cost of providing the opportunity for an adequate education as defined by RSA 193-E:2-a based on the Committee's findings equals \$3,456 per pupil. The chart below exhibits the calculation of the universal cost based on the Committee's findings.

		Per Pupil Amounts	
		Grades K-2	Grades 3-12
<b>TEACHERS<sup>1</sup></b>			
	Salary	\$ 33,847	
	5% Salary Increase	\$ 1,692	
	Total Salary	\$ 35,539	
	Benefits (33%)	\$ 11,728	
	Total Teacher	\$ 47,267	
Grades K-2:	1 Teacher / 25 Students	\$ 1,891	
	20% for Specialty Teachers	\$ 378	
Grades 3-12:	1 Teacher / 30 Students	\$ 1,576	
	20% for Specialty Teachers	\$ 315	
<b>PRINCIPAL</b>			
	Salary	\$ 75,159	
	5% Salary Increase	\$ 3,758	
	Total Salary	\$ 78,917	
	Benefits (28%)	\$ 22,097	
	Total Principal	\$ 101,014	
Grades K-12	1 Principal / 500 Students	\$ 202	\$ 202
<b>PRINCIPAL ADMINISTRATIVE ASSISTANT</b>			

<sup>6</sup> See Final Report and Findings of the Joint Legislative Oversight Committee Pursuant to 2007 Laws Chapter 270, February 1, 2008, available at <http://www.gencourt.state.nh.us/statstudcomm/reports/892.pdf> at 24-26. For additional discussion of the committee's findings, see pages 12-23.

	Salary	\$	30,202		
	5% Salary Increase	\$	1,510		
	Total Salary	\$	31,712		
	Benefits (33%)	\$	10,465		
	Total Admin. Asst.	\$	42,177		
Grades K-12	1 Admin. Asst. / 500 Students	\$	84	\$	84
<b>GUIDANCE COUNSELOR</b>					
	Salary	\$	37,141		
	5% Salary Increase	\$	1,857		
	Total Salary	\$	38,999		
	Benefits (33%)	\$	12,989		
	Total Guidance Counselor	\$	51,987		
Grades K-12	1 Guidance Counselor / 400 Students	\$	30	\$	130
<b>LIBRARY MEDIA SPECIALIST</b>					
	Salary	\$	33,847		
	5% Salary Increase	\$	1,692		
	Total Salary	\$	35,539		
	Benefits (33%)	\$	11,728		
	Total Media Specialist	\$	47,267		
Grades K-12	1 Media Specialist / 500 Students	\$	95	\$	95
<b>TECHNOLOGY COORDINATOR</b>					
	Salary	\$	33,847		
	5% Salary Increase	\$	1,692		
	Total Salary	\$	35,539		
	Benefits (33%)	\$	11,728		
	Total Tech. Coordinator	\$	47,267		
Grades K-12	1 Tech. Coord. / 1,200 Students	\$	39	\$	39
<b>CUSTODIAN</b>					
	Salary	\$	26,229		
	5% Salary Increase	\$	1,311		
	Total Salary	\$	27,540		
	Benefits (33%)	\$	9,088		
	Total Custodian	\$	36,628		
Grades K-12	1 Custodian / 500 Students	\$	73	\$	73
<b>INSTRUCTIONAL MATERIALS</b>		\$	250	\$	250



<b>TECHNOLOGY</b>	\$ 75	\$ 75
<b>TEACHER PROFESSIONAL DEVELOPMENT</b>	\$ 20	\$ 20
<b>FACILITIES OPERATION AND MAINTENANCE</b>	\$ 195	\$ 195
<b>TRANSPORTATION</b>	<u>\$ 315</u>	<u>\$ 315</u>
<b>TOTAL PER PUPIL UNIVERSAL COST</b>	<b>\$ 3,747</b>	<b>\$ 3,369</b>
<b>ESTIMATE OF "BLENDED" PER PUPIL UNIVERSAL COST<sup>2</sup></b>		
<b>(<math>\\$3,747 \times 3</math>) + (<math>\\$3,369 \times 10</math>) / 13 =</b>		<b>\$ 3,456</b>

**NOTES:**

1) Per pupil amounts for salaried positions determined by dividing the total cost of salary and benefits by the number of pupils per position, rounded to the nearest dollar.

2) "Blended" per pupil universal cost is a weighted average of the Grades K-2 cost and the Grades 3-12 cost based on 13 grades.

**Appendix B**

*The Committee's Updated Calculation of Base Adequacy*

			Per Pupil K-2	Per Pupil 3-12
<b>Teachers</b>				
	Salary	\$36,845		
	5% Increase	1,842		
	Subtotal	38,867		
	Benefits (33%)	12,767		
	Total Teacher	51,454		
K-2 Teacher	1:25 Students		\$2,058	
	20% Specialty Teacher		412	
3-12 Teacher	1:30 Students			\$1,715
	20% Specialty Teacher			343
<b>Principal</b>				
	Salary	\$85,159		
	5% Increase	4,258		
	Subtotal	89,417		
	Benefits (28%)	22,354		
	Total Principal	\$111,771		
K-12	1:500 Students		\$223	\$223
<b>Administrative Assistant</b>				
	Salary	\$34,202		
	5% Increase	1,710		
	Subtotal	35,912		
	Benefits (33%)	11,851		
	Total Administrative Assistant	\$47,763		
K-12	1:500 Students		\$96	\$96
<b>Guidance Counselor</b>				
	Salary	\$40,436		
	5% Increase	2,022		
	Subtotal	42,458		
	Benefits (33%)	14,011		
	Total Guidance Counselor	\$56,469		
K-12	1:400 Students		\$141	\$141

<b>Library/ Media Specialist</b>				
	Salary	\$36,654		
	5% Increase	1,833		
	Subtotal	38,487		
	Benefits (33%)	12,701		
	Total Library/ Medial Specialist	\$51,188		
K-12	1:500 Students		\$102	\$102
<b>Technology Coordinator</b>				
	Salary	\$37,827		
	5% Increase	\$1,891		
	Subtotal	\$39,718		
	Benefits (33%)	13,107		
	Total Technology Coordinator	\$52,825		
K-12	1:500 Students		\$106	\$106
<b>Custodian</b>				
	Salary	\$28,996		
	5% Increase	1,450		
	Subtotal	30,446		
	Benefits (33%)	10,047		
	Total Principal	40,493		
K-12	1:500 Students		\$81	\$81
<b>Instructional Materials</b>			\$300	\$300
<b>Technology</b>			\$100	\$100
<b>Teacher Professional Development</b>			\$30	\$30
<b>Facilities Operations and Maintenance</b>			\$250	\$250
<b>Transportation</b>			\$315	\$315
<b>Total Per Pupil Universal Cost</b>			\$4,214	\$3,802
<b>Blended Per Pupil Cost</b>	$(4,214*3) + (3,487*10) / 13 =$		<b>\$3,897</b>	

***Summary of Inputs Used in Calculation Above:***

Teacher Salary \$36,845

Principal Salary \$85,159

Administrative Assistant Salary \$34,202

Guidance Counselor Salary \$40,436

Library Media Specialist Salary \$36,654

Technology Coordinator Salary \$37,827 Change to 1 per 500 children

Custodian Salary \$28,996

Instructional Material \$300

Technology \$100

Professional Development \$30

Facilities Operation \$250

## Appendix C

### *Proposed Grant*

Town	Total Equalized Valuation	Average Daily Membership	Equalized Valuation Per Pupil	Grant
Berlin	\$ 350,633,529	1,059	\$ 331,221	\$2,500.00
Northumberland	\$ 102,835,045	283	\$ 363,259	\$2,500.00
Claremont	\$ 701,993,186	1,632	\$ 430,117	\$2,500.00
Greenville	\$ 116,815,916	267	\$ 437,677	\$2,500.00
Charlestown	\$ 275,275,977	617	\$ 446,275	\$2,500.00
Troy	\$ 132,207,847	282	\$ 468,158	\$2,500.00
Winchester	\$ 270,016,870	551	\$ 489,658	\$2,500.00
Lisbon	\$ 108,325,183	212	\$ 511,910	\$2,500.00
Pittsfield	\$ 275,268,894	534	\$ 515,195	\$2,500.00
Penacook	\$ 396,543,796	749	\$ 529,749	\$2,500.00
Newport	\$ 442,388,657	830	\$ 533,024	\$2,500.00
Lancaster	\$ 241,230,021	447	\$ 539,616	\$2,500.00
Brookline	\$ 609,751,240	1,112	\$ 548,397	\$2,500.00
Bennington	\$ 105,089,881	190	\$ 553,775	\$2,500.00
New Ipswich	\$ 416,040,912	738	\$ 563,756	\$2,500.00
Farmington	\$ 503,225,173	854	\$ 589,036	\$2,500.00
Franklin	\$ 604,858,766	1,021	\$ 592,163	\$2,500.00
Northfield	\$ 343,841,999	579	\$ 593,968	\$2,500.00
Allenstown	\$ 295,314,748	497	\$ 594,302	\$2,500.00
Boscawen	\$ 273,998,650	458	\$ 597,976	\$2,500.00
Haverhill	\$ 343,913,895	564	\$ 609,398	\$2,500.00
Weare	\$ 893,934,396	1,454	\$ 614,667	\$2,500.00

Hillsboro	\$ 524,898,983	846	\$ 620,177	\$2,500.00
Rochester	\$ 2,472,768,821	3,926	\$ 629,801	\$2,500.00
Derry	\$ 3,209,467,436	5,003	\$ 641,480	\$2,500.00
Somersworth	\$ 970,329,866	1,477	\$ 657,111	\$2,500.00
New Boston	\$ 674,587,132	1,014	\$ 664,972	\$2,478.07
Pembroke	\$ 685,857,080	1,028	\$ 667,222	\$2,468.14
Belmont	\$ 675,202,388	993	\$ 680,264	\$2,410.60
Warren	\$ 70,172,623	103	\$ 683,544	\$2,396.13
Milan	\$ 113,644,816	166	\$ 685,392	\$2,387.98
Sullivan	\$ 51,604,414	75	\$ 690,822	\$2,364.02
Madbury	\$ 254,256,479	366	\$ 695,222	\$2,344.61
Milford	\$ 1,502,209,392	2,155	\$ 697,100	\$2,336.32
Jaffrey	\$ 485,524,353	689	\$ 704,946	\$2,301.71
Whitefield	\$ 194,276,792	274	\$ 708,574	\$2,285.70
Middleton	\$ 179,775,861	252	\$ 713,340	\$2,264.68
Colebrook	\$ 165,343,471	232	\$ 713,395	\$2,264.44
Dalton	\$ 88,457,359	124	\$ 715,154	\$2,256.67
Marlborough	\$ 176,705,873	247	\$ 716,860	\$2,249.15
Mont Vernon	\$ 278,453,615	388	\$ 717,276	\$2,247.31
Sandown	\$ 691,529,949	963	\$ 718,323	\$2,242.69
Gorham	\$ 254,256,030	353	\$ 720,680	\$2,232.29
Hinsdale	\$ 362,722,818	503	\$ 721,262	\$2,229.73
Danville	\$ 436,618,942	601	\$ 726,500	\$2,206.62
Swanzey	\$ 598,126,308	822	\$ 727,471	\$2,202.34
Salisbury	\$ 143,307,044	195	\$ 734,155	\$2,172.85
Unity	\$ 124,271,306	168	\$ 737,953	\$2,156.09
Richmond	\$ 95,388,927	128	\$ 746,743	\$2,117.31

Alstead	\$ 158,409,324	209	\$ 757,504	\$2,069.83
Stratford	\$ 54,550,144	72	\$ 759,328	\$2,061.79
Litchfield	\$ 996,629,431	1,283	\$ 776,960	\$1,984.00
Keene	\$ 1,853,318,546	2,378	\$ 779,291	\$1,973.71
Epsom	\$ 462,296,866	590	\$ 783,435	\$1,955.44
Goffstown	\$ 1,679,729,905	2,139	\$ 785,401	\$1,946.76
Manchester	\$ 10,115,188,558	12,821	\$ 788,930	\$1,931.19
Chester	\$ 649,689,911	822	\$ 790,194	\$1,925.61
Fremont	\$ 480,953,595	608	\$ 791,185	\$1,921.24
Hill	\$ 91,134,471	114	\$ 798,725	\$1,887.98
Lee	\$ 530,857,155	657	\$ 808,395	\$1,845.31
Brentwood	\$ 635,540,255	784	\$ 810,845	\$1,834.51
Barnstead	\$ 535,712,681	660	\$ 811,452	\$1,831.83
Antrim	\$ 254,661,843	314	\$ 811,490	\$1,831.66
Raymond	\$ 1,014,725,486	1,246	\$ 814,164	\$1,819.86
Barrington	\$ 1,047,752,915	1,286	\$ 814,491	\$1,818.42
Grafton	\$ 117,469,745	144	\$ 818,091	\$1,802.54
Canaan	\$ 370,910,994	449	\$ 826,009	\$1,767.61
Hopkinton	\$ 701,859,811	850	\$ 826,058	\$1,767.39
Warner	\$ 277,195,231	335	\$ 827,053	\$1,763.00
Westmoreland	\$ 172,511,288	207	\$ 831,740	\$1,742.32
Landaff	\$ 45,704,636	55	\$ 833,570	\$1,734.25
Milton	\$ 440,474,636	523	\$ 842,127	\$1,696.50
Greenfield	\$ 159,182,700	186	\$ 855,867	\$1,635.88
Northwood	\$ 533,498,124	621	\$ 859,178	\$1,621.27
Henniker	\$ 447,261,451	520	\$ 860,847	\$1,613.91
Langdon	\$ 62,004,130	72	\$ 863,207	\$1,603.50

Strafford	\$ 527,831,600	610	\$ 864,717	\$1,596.84
Plymouth	\$ 464,464,685	527	\$ 880,852	\$1,525.65
Orange	\$ 33,520,120	38	\$ 880,949	\$1,525.22
Loudon	\$ 604,431,541	668	\$ 904,783	\$1,420.07
Gilmanton	\$ 482,490,134	533	\$ 905,694	\$1,416.06
Chichester	\$ 291,913,065	322	\$ 906,225	\$1,413.72
Concord	\$ 3,860,504,514	4,252	\$ 907,871	\$1,406.45
Auburn	\$ 809,825,829	889	\$ 910,746	\$1,393.77
Newton	\$ 560,063,577	614	\$ 912,185	\$1,387.42
Goshen	\$ 72,894,519	80	\$ 912,322	\$1,386.82
Dunbarton	\$ 357,090,737	390	\$ 915,523	\$1,372.69
East Kingston	\$ 345,501,548	377	\$ 915,551	\$1,372.57
Bedford	\$ 4,007,723,408	4,361	\$ 919,070	\$1,357.04
Epping	\$ 858,937,705	938	\$ 923,192	\$1,338.86
Bow	\$ 1,273,941,164	1,372	\$ 928,515	\$1,315.37
Hudson	\$ 3,110,973,707	3,340	\$ 931,477	\$1,302.31
Andover	\$ 275,754,143	296	\$ 932,263	\$1,298.84
Danbury	\$ 116,775,527	125	\$ 933,383	\$1,293.90
Benton	\$ 28,374,674	30	\$ 935,532	\$1,284.42
Webster	\$ 213,309,895	228	\$ 935,693	\$1,283.71
Windham	\$ 2,668,093,257	2,845	\$ 937,805	\$1,274.39
Nottingham	\$ 664,122,057	707	\$ 939,498	\$1,266.92
Bath	\$ 120,682,211	128	\$ 940,919	\$1,260.65
Alexandria	\$ 198,401,167	207	\$ 956,934	\$1,190.00
Pelham	\$ 1,801,733,966	1,876	\$ 960,597	\$1,173.84
Newmarket	\$ 931,626,122	967	\$ 963,270	\$1,162.05
Peterborough	\$ 710,112,297	730	\$ 972,464	\$1,121.48



Surry	\$ 83,311,104	85	\$ 977,945	\$1,097.30
Stewartstown	\$ 96,408,389	98	\$ 979,461	\$1,090.61
Dover	\$ 3,478,785,924	3,551	\$ 979,548	\$1,090.23
Marlow	\$ 64,253,818	66	\$ 980,675	\$1,085.26
Nashua	\$ 10,483,845,142	10,688	\$ 980,912	\$1,084.21
Wilton	\$ 388,544,693	395	\$ 982,439	\$1,077.48
Rindge	\$ 620,565,724	630	\$ 984,853	\$1,066.82
Littleton	\$ 678,230,013	687	\$ 987,551	\$1,054.92
Rollinsford	\$ 279,370,298	281	\$ 992,964	\$1,031.04
Hampstead	\$ 1,248,788,229	1,254	\$ 995,542	\$1,019.67
Deerfield	\$ 618,594,033	619	\$ 998,667	\$1,005.88
Exeter	\$ 2,095,003,267	2,091	\$ 1,001,915	\$0.00
Campton	\$ 407,852,719	407	\$ 1,003,155	\$0.00
Londonderry	\$ 4,173,716,733	4,072	\$ 1,024,866	\$0.00
Merrimack	\$ 3,615,246,064	3,527	\$ 1,025,061	\$0.00
Jefferson	\$ 129,469,188	125	\$ 1,033,686	\$0.00
Plainfield	\$ 273,091,853	263	\$ 1,037,189	\$0.00
Amherst	\$ 1,874,432,255	1,801	\$ 1,040,657	\$0.00
Albany	\$ 105,119,481	101	\$ 1,045,965	\$0.00
Newfields	\$ 288,562,217	275	\$ 1,050,387	\$0.00
Lempster	\$ 136,458,027	130	\$ 1,052,836	\$0.00
Bethlehem	\$ 282,541,519	268	\$ 1,054,495	\$0.00
Effingham	\$ 170,320,147	161	\$ 1,056,314	\$0.00
Springfield	\$ 205,200,889	194	\$ 1,057,955	\$0.00
Candia	\$ 483,739,667	453	\$ 1,067,245	\$0.00
Kingston	\$ 813,838,174	760	\$ 1,070,812	\$0.00
Ellsworth	\$ 14,877,382	14	\$ 1,077,291	\$0.00

Mason	\$ 175,026,288	161	\$ 1,089,760	\$0.00
Sutton	\$ 311,752,679	286	\$ 1,090,273	\$0.00
Gilsum	\$ 65,452,610	60	\$ 1,093,611	\$0.00
Orford	\$ 148,041,933	135	\$ 1,094,985	\$0.00
Hollis	\$ 1,381,217,675	1,245	\$ 1,109,635	\$0.00
Plaistow	\$ 1,128,090,172	1,011	\$ 1,115,783	\$0.00
Deering	\$ 202,803,043	182	\$ 1,116,449	\$0.00
Wentworth	\$ 93,235,003	83	\$ 1,121,287	\$0.00
Ashland	\$ 252,252,917	225	\$ 1,121,772	\$0.00
Kensington	\$ 355,121,049	316	\$ 1,124,334	\$0.00
Temple	\$ 152,778,135	134	\$ 1,137,334	\$0.00
Hooksett	\$ 2,099,079,668	1,840	\$ 1,140,612	\$0.00
Tilton	\$ 548,672,109	480	\$ 1,143,281	\$0.00
Walpole	\$ 446,640,162	389	\$ 1,147,556	\$0.00
Acworth	\$ 99,239,198	86	\$ 1,148,336	\$0.00
Stratham	\$ 1,416,855,289	1,226	\$ 1,155,504	\$0.00
Columbia	\$ 81,252,762	70	\$ 1,156,129	\$0.00
Canterbury	\$ 284,809,194	243	\$ 1,172,633	\$0.00
Francestown	\$ 195,136,161	165	\$ 1,179,142	\$0.00
Rumney	\$ 168,291,263	141	\$ 1,191,696	\$0.00
Bradford	\$ 225,493,136	186	\$ 1,213,438	\$0.00
Laconia	\$ 2,209,428,939	1,820	\$ 1,213,732	\$0.00
Grantham	\$ 489,016,183	399	\$ 1,224,622	\$0.00
Thornton	\$ 369,053,552	301	\$ 1,226,948	\$0.00
Chesterfield	\$ 522,165,654	425	\$ 1,228,972	\$0.00
Durham	\$ 1,144,424,005	927	\$ 1,234,266	\$0.00
Piermont	\$ 104,629,767	84	\$ 1,241,307	\$0.00

Fitzwilliam	\$ 285,408,775	228	\$ 1,250,312	\$0.00
Sharon	\$ 51,104,854	41	\$ 1,251,650	\$0.00
Chatham	\$ 52,408,092	42	\$ 1,259,810	\$0.00
New Durham	\$ 439,546,636	345	\$ 1,273,199	\$0.00
Lyndeborough	\$ 189,762,320	147	\$ 1,288,971	\$0.00
Ossipee	\$ 705,724,375	541	\$ 1,303,542	\$0.00
Lyme	\$ 377,342,746	289	\$ 1,306,905	\$0.00
Tamworth	\$ 378,272,904	284	\$ 1,333,778	\$0.00
Wilmot	\$ 189,457,622	141	\$ 1,345,007	\$0.00
Brookfield	\$ 106,268,038	78	\$ 1,364,510	\$0.00
Cornish	\$ 183,844,809	134	\$ 1,370,646	\$0.00
Conway	\$ 1,667,614,467	1,211	\$ 1,376,533	\$0.00
Atkinson	\$ 1,034,425,126	747	\$ 1,384,661	\$0.00
New Hampton	\$ 330,025,184	235	\$ 1,402,989	\$0.00
Enfield	\$ 602,987,208	429	\$ 1,404,844	\$0.00
Bristol	\$ 507,813,745	360	\$ 1,411,652	\$0.00
Dorchester	\$ 38,830,253	27	\$ 1,414,066	\$0.00
Salem	\$ 4,870,214,990	3,436	\$ 1,417,528	\$0.00
Lyman	\$ 64,972,957	45	\$ 1,438,728	\$0.00
Sanbornton	\$ 449,207,523	310	\$ 1,450,882	\$0.00
Stark	\$ 65,548,300	44	\$ 1,495,512	\$0.00
Roxbury	\$ 26,570,667	18	\$ 1,518,324	\$0.00
Greenland	\$ 828,005,944	543	\$ 1,525,913	\$0.00
Woodstock	\$ 251,875,507	162	\$ 1,556,517	\$0.00
Hampton Falls	\$ 496,282,592	319	\$ 1,557,405	\$0.00
Croydon	\$ 88,095,230	56	\$ 1,569,206	\$0.00
Lebanon	\$ 2,140,155,707	1,282	\$ 1,669,883	\$0.00

South Hampton	\$ 147,462,227	88	\$ 1,683,551	\$0.00
Dublin	\$ 242,147,350	143	\$ 1,695,235	\$0.00
Madison	\$ 510,087,305	288	\$ 1,768,251	\$0.00
Stoddard	\$ 268,131,678	149	\$ 1,798,335	\$0.00
Wakefield	\$ 1,043,474,565	578	\$ 1,806,007	\$0.00
Clarksville	\$ 49,622,205	27	\$ 1,808,389	\$0.00
Hancock	\$ 276,835,135	152	\$ 1,823,323	\$0.00
Gilford	\$ 1,850,935,091	986	\$ 1,877,159	\$0.00
Windsor	\$ 28,763,968	14	\$ 2,094,972	\$0.00
Washington	\$ 237,462,797	109	\$ 2,170,196	\$0.00
Hanover	\$ 2,489,124,003	1,137	\$ 2,188,395	\$0.00
Nelson	\$ 120,417,303	54	\$ 2,244,079	\$0.00
Shelburne	\$ 63,103,367	28	\$ 2,273,176	\$0.00
Hampton	\$ 3,611,394,855	1,553	\$ 2,325,162	\$0.00
North Hampton	\$ 1,218,018,946	503	\$ 2,422,231	\$0.00
Alton	\$ 1,755,612,953	679	\$ 2,585,853	\$0.00
Sugar Hill	\$ 142,620,280	54	\$ 2,623,143	\$0.00
Monroe	\$ 294,006,475	111	\$ 2,641,805	\$0.00
Franconia	\$ 314,576,648	119	\$ 2,642,613	\$0.00
Seabrook	\$ 2,551,892,073	957	\$ 2,667,753	\$0.00
Portsmouth	\$ 5,800,517,168	2,094	\$ 2,770,582	\$0.00
Meredith	\$ 2,040,970,867	734	\$ 2,780,917	\$0.00
Harrisville	\$ 195,477,517	66	\$ 2,983,023	\$0.00
Groton	\$ 126,551,416	42	\$ 3,044,297	\$0.00
Wolfeboro	\$ 2,171,571,735	712	\$ 3,048,119	\$0.00
Newbury	\$ 740,777,476	235	\$ 3,155,870	\$0.00
Sunapee	\$ 1,276,138,736	381	\$ 3,353,671	\$0.00

Holderness	\$ 754,580,045	222	\$ 3,404,069	\$0.00
Dummer	\$ 66,478,940	19	\$ 3,591,515	\$0.00
Sandwich	\$ 450,363,393	123	\$ 3,654,657	\$0.00
Randolph	\$ 62,063,262	17	\$ 3,743,261	\$0.00
New London	\$ 1,176,641,776	312	\$ 3,770,925	\$0.00
Rye	\$ 2,279,137,359	588	\$ 3,875,359	\$0.00
Center Harbor	\$ 437,575,927	111	\$ 3,941,770	\$0.00
Bridgewater	\$ 367,774,760	90	\$ 4,094,575	\$0.00
Pittsburg	\$ 273,830,883	65	\$ 4,242,809	\$0.00
Tuftsboro	\$ 1,097,957,888	258	\$ 4,256,971	\$0.00
Easton	\$ 69,162,486	16	\$ 4,422,154	\$0.00
Bartlett	\$ 1,083,815,880	244	\$ 4,436,051	\$0.00
Eaton	\$ 107,209,434	22	\$ 4,940,527	\$0.00
Freedom	\$ 535,046,995	102	\$ 5,263,102	\$0.00
Jackson	\$ 417,200,302	77	\$ 5,403,449	\$0.00
Carroll	\$ 332,275,015	58	\$ 5,713,119	\$0.00
Errol	\$ 92,388,058	15	\$ 6,310,660	\$0.00
Lincoln	\$ 904,678,637	133	\$ 6,798,006	\$0.00
Moultonborough	\$ 3,186,434,121	455	\$ 7,008,235	\$0.00
Hebron	\$ 287,545,473	38	\$ 7,492,065	\$0.00
New Castle	\$ 724,101,570	80	\$ 9,029,824	\$0.00
Waterville Valley	\$ 329,692,735	35	\$ 9,379,594	\$0.00
Hart's Location	\$ 13,916,211	1	\$ 13,916,211	\$0.00
Newington	\$ 1,110,583,147	60	\$ 18,503,551	\$0.00
Hale's Location	\$ 79,290,689	2	\$ 42,175,898	\$0.00
Millsfield	\$ 94,464,529	2	\$ 47,232,265	\$0.00

**Appendix D**

*Meeting Minutes, Attached*

## **SCHOOL FUNDING TALKING POINTS**

**The NH Constitution sets two core requirements for K-12 public education:**

- **The State has a duty to pay for the cost of a constitutionally adequate education for every K-12 public school student;**
- **The taxes that the State uses to pay for this education must have a uniform rate across the state.**

**The State Legislature has enacted comprehensive standards for an adequate education, but the amount of aid the State provides to meet these standards is woefully insufficient. While the average annual per pupil cost is over \$15,000 per year, the State's main "adequacy grant" provides only \$3,636 per year, with small additional grants for children who qualify as from low-income families, receive special education, or are English language learners. Some school districts receive "stabilization grants," although these grants are being reduced by 4% each year. Even when all of these state grants are added together, the State pays only about 20% of the cost of education in New Hampshire.**

**More than 70% of the cost of educating our children is paid by local property taxpayers at tax rates that are wildly disproportionate from town to town. For example, in the 2015-2016 school year, the Rye School District spent \$19,535 per pupil, while the total rate of state and local school property taxes in Rye was only \$6.20. In Pittsfield, the per-pupil spending was \$14,723, but the combined education tax**

**rate was \$18.00. This great disparity occurs because the equalized value of property in Rye is \$3,311,717 per student, but in Pittsfield the equalized value per student is only \$463,649.**

**Towns with a great deal of valuable property ("property wealthy") can raise enough money to spend generously on their students, even while their tax rates remain low. Because of the great disparities in property wealth from town to town, taxpayers in the property poor towns like Pittsfield pay much higher rates but are able to raise much less for their schools than districts with lake-front property, ski resorts, or very valuable coastline.**

**Taxpayers in property-poor towns make much greater financial sacrifices for their students, but they struggle to raise enough money to meet their schools' basic needs. In recent years, many of these school districts have been laying off teachers and other employees, delaying building maintenance, skimping on equipment, eliminating classes, and losing talented and experienced teachers to other districts which can afford to pay higher salaries.**

**This funding system discourages economic growth in many towns and cities across the state. Why would a new business open in a town with high tax rates? And, why wouldn't the owner of an existing business in a property-poor town with high tax rates feel financially pressured to relocate?**

**The funding system also discourages young families from moving to school districts with high property taxes and struggling school systems, and it prompts local officials to discourage the creation of affordable workforce housing for young families because of the impact of additional children on school budgets.**

**The current school funding system hurts students, their parents, local homeowners, and businesses and it works directly against the efforts to attract and keep young people, enlarge the work force, and encourage new businesses in all regions of the state.**

**A number of school districts are already in crisis, with many more to follow. This problem is harming school budgets and pushing up school property tax rates in New Hampshire's largest cities and countless towns in all regions of the state.**

**For more than a decade, the Legislature and NH's governors have allowed this problem to get worse. In fact, they have continued to downshift costs by reducing stabilization aid and discontinuing pension contributions.**

**As the 2018 election season heats up, we must raise the issue of school funding and property taxes with each of the candidates for governor and with everyone who is running for the NH House or Senate.**

## **SAMPLE QUESTIONS TO ASK POLITICAL CANDIDATES**

- *What will you do to make sure that the State updates its adequacy grants to realistic levels?*
- *What will you do to make school property tax rates more fair and equal across the state?*
- *As an immediate measure, would you support a moratorium on cuts to stabilization aid? Would you support restoring the amount that has been cut since 2015?*
- *If you are in favor of a constitutional amendment on school funding, what would such an amendment say and how would the Legislature be held accountable for supporting our public schools?*

For further information, please contact:

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