

The Coalition Communities

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Hart's Location..Hebron..Holderness..Jackson..Lincoln..Meredith..Moultonborough..Newbury..New Castle..New London..Newington

North Hampton..Pittsburg..Portsmouth..Rye..Sandwich..Seabrook..Stoddard..Sugar Hill..Sunapee..Tiltonboro..Waterville Valley

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April 20, 2010

Board of Selectmen
Town of Lee
7 Mast Road
Lee, NH 03861

Dear Members of the Board of Selectmen:

Do you know that State education aid to the Town of Lee will decrease by an estimated **\$709,505** as of July 1, 2011, but the Legislature could do something to stop it within the next two weeks?

The NH House is considering Senate Bill 465 to extend the transition phase of the education funding formula by an additional year and establish a study committee to determine if the full formula is financially sustainable over the long term. **Please contact your legislators ASAP and ask them to support SB465 so your community won't lose money next year.**

Although your community is scheduled to lose money, the full formula will cost the State at least \$70 million more as of July 1, 2011 – and possibly an extra \$150 million to cover the federal stimulus funding that might not be renewed. Where will the State get the money? Will it further reduce revenues to municipalities and downshift more costs?

Does it make sense to go forward with a formula that will cost almost \$70 million more while sending an additional \$42 million to just two communities – Manchester (\$29.1 million) and Nashua (\$12.7 million) –in one year?

If the formula becomes fully effective next July 1, the result will be a 13% increase in State aid overall. However, Manchester gets a nearly 50% increase and Nashua a 31% increase. Meanwhile, the original five Claremont lawsuit (property-poor) towns see a total net gain of 16.7% and Berlin's aid goes up by just 7.5%. We believe this indicates the formula could use fine-tuning and a one-year delay would allow time for that.

Please contact your State Representatives soon about the scheduled loss in funding for your community.

Sincerely,



Pat Remick
Coordinator
Coalition Communities