

### **KIMBALL UNION ACADEMY STUDY COMMITTEE**

The charge of this committee is to meet with representatives of the Kimball Union Academy (KUA) administration to maintain an ongoing review of the relationship between the academy and the town, and to report its findings at annual town meeting. This year's committee held five meetings between November 2014 and January 2015.

#### **SUMMARY OF THE COMMITTEE'S FINDINGS:**

Based on all that your committee was able to learn and discuss, the committee recommends for the 2015 tax year maintaining the 80% tax exemption on Kitchens, Dining Halls and Dormitories as allowed by RSA 72:23.

The Plainfield Elementary School District (PESD) A.R.E.A. Review Committee has completed a study of the A.R.E.A. Agreement. The committee's task was to determine whether to move forward with a two-to-three year, *formal*, decision-making process to remain, or not to remain, in the agreement with Lebanon High School (LHS). The agreement states that our students must attend LHS. However, our students do have the opportunity to attend KUA if they choose to do so. The Town's choice to leave, or stay with, the A.R.E.A. Agreement (after committee deliberation) will have an impact on the KUA/Town Relationship (See the following Community Relationship section for more detail).

The Study Committee also reviewed the future location of the Meriden Post Office (see the following Community Relationship section for more detail).

#### **KUA TAX EXEMPTION 2014/15 AND FINANCIAL AID:**

1. Neither the Town of Plainfield nor the Plainfield school district pays any portion of the KUA tuition for local students.
2. KUA anticipates that the number of local students (ninth through twelfth grades) attending the school next year will be between 20-24 students. A recent on-campus opportunity for Plainfield students and their parents was held at the Plainfield School this fall as a way to insure that all students and their families have an opportunity to learn about KUA as a local educational option.
3. Six local students will graduate from KUA this year. Applications from local 8th graders are due by January 15th, therefore, the outcome of the application process will not be known prior to the writing of this report.
4. During the 2014/15 academic year, KUA provided \$349,500 in financial aid to Plainfield students attending KUA.
5. KUA property is assessed at \$31.7 million dollars, of which \$23.3 million of that figure is exempt by state law.
6. The assessed value of Kitchens, Dining Halls and Dormitories is \$6.5 million that may be exempted at the discretion of the Town's voters. At the current 80% exempt level, the property value exemption equals \$5.21 million and tax exemption equals \$143,446.
7. Last tax year, KUA paid property taxes of \$86,331 to the Town of Plainfield. This makes KUA the highest property taxpayer in the town.
8. LHS tuition is \$13,776 per student for this school year 2014-2015.
9. The 2013-2014 Plainfield School District budget would have been \$344,400 higher if the 25 students had not chosen to attend KUA.

10. At the writing of this report, the Plainfield School Board has budgeted for 80.40 Plainfield students to attend LHS next school year. That is \$1,125,118 (\$13,994 per student) designated in the Plainfield School's budget for tuition.
11. If the KUA kitchen, dormitory and dining hall properties currently under tax exemption had been taxed at the full rate this year, the Town would have received an additional \$143,500. This amount represents .55 cents on the tax rate. As an example, a home with a tax-assessed value of \$250,000, pays an additional \$140/year to off-set the discretionary tax exemption granted to KUA.

**COMMUNITY RELATIONSHIP:**

1. The committee is aware that the Plainfield School SAU is investigating moving to a high-school-choice (aka, A.R.E.A. Agreement) model in the coming years. It is likely that this model will include three or four high schools, including Lebanon and Hanover that local students could attend with the full tuition paid for by the district. While projections vary widely, it is generally accepted that this change will cost the district additional money. If such a system is adopted by the community, the financial implications will require further examination by the KUA Study Committee.
2. KUA has indicated that they will not continue the lease to the United States Postal Service (USPS) into the future. The academy has offered to work with the Town to insure that a post office facility remains in Meriden Village. The current lease for the post office expires in 2015, but may be renewed for another five years at the discretion of the USPS.
3. KUA is Plainfield's largest employer. More than eighty of KUA's 150 full- and part-time employees live in Plainfield.
4. Plainfield School is currently educating 17 students of KUA faculty that live on campus.
5. KUA makes its facilities available to Plainfield organizations and residents for a variety of activities and functions typically at no charge.
6. Residents are encouraged to visit the town's web site for an up-to-date listing of KUA events and happenings open to the public. Access times and directions to KUA facilities for Plainfield residents are available on the KUA website [www.kua.org](http://www.kua.org)

Respectfully Submitted,

Stephen Beaupre, Robert Blake-KUA, Eric Brann, Betsy Duany, Myra Ferguson, Christian Forman-FES School Board, Robyn Hadlock, Steve Halleran-Town Administrator, Rob Hewitt-Chair, Pamela Miller, John Yacavone.

Plainfield KUA Study Committee 2014/15