

From: Derek M. Horne, Town Administrator  
Scott Gross, SAU #19 Business Administrator

Re: 2022 Property Tax Rate

Date: 10/25/2022

**GOFFSTOWN** – The New Hampshire Department of Revenue Administration has approved the 2022 Property Tax Rate for the Town of Goffstown at \$26.31 per \$1,000 of valuation.

	<b>2020</b>	<b>2021</b>	<b>2022</b>
County	\$1.12	\$1.16	\$1.22
Local Education	\$13.47	\$13.33	\$14.43
State Education	\$1.99	\$2.03	\$1.45
Town	\$8.24	\$8.30	\$9.21
<b>Total</b>	<b>\$24.82</b>	<b>\$24.82</b>	<b>\$26.31</b>

### **Town Portion**

The Town portion of the tax rate increased to \$9.21. This is a \$.91 cent increase from the prior year and ended a four-year period in which the Town tax rate was relatively unchanged (2018-\$8.14, 2019-\$8.14, 2020-\$8.24, and 2021-\$8.30).

The Goffstown Select Board voted to use \$750,000 in fund balance to offset increases approved by voters in the 2022 budget. In addition to the use of fund balance, the Town received higher than anticipated General Fund revenues in 2022. The increased distribution of shared revenues from the State in the form of Meals & Rooms Tax and the State's one-time contribution towards the Town's share of Group II Police and Fire NH Retirement helped reduce the Town's collection of property taxes this fall.

### **School Portion – Local Education**

The local School District portion of the tax rate increased to \$14.43. This marks a \$1.10 increase from the prior year and ended a three-year period in which the local education tax rate was relatively unchanged (2019-\$13.28, 2020-\$13.47, and 2021-\$13.33.) The increase is attributed to more normalized school operations (post COVID-19), increased costs due to inflation, and a new five-year collective bargaining agreement with Goffstown's teachers.

Also noteworthy is a **one-time \$.58 cent decrease** in the State Education tax (SWEPT) based on legislative action in 2022. SWEPT revenues are taxes collected and retained locally as part of the State of New Hampshire's funding of public education. In 2023, The SWEPT tax rate will increase back to approximately \$2.00, similar to prior years.



<b>2022</b> <b>\$26.31</b>
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## Tax Rate Breakdown Goffstown

Municipal Tax Rate Calculation			
Jurisdiction	Tax Effort	Valuation	Tax Rate
Municipal	\$16,200,604	\$1,759,819,500	<b>\$9.21</b>
County	\$2,148,842	\$1,759,819,500	<b>\$1.22</b>
Local Education	\$25,393,716	\$1,759,819,500	<b>\$14.43</b>
State Education	\$2,443,973	\$1,681,394,300	<b>\$1.45</b>
<b>Total</b>	<b>\$46,187,135</b>		<b>\$26.31</b>

Village Tax Rate Calculation			
Jurisdiction	Tax Effort	Valuation	Tax Rate
Goffstown Village	\$0	\$329,542,200	<b>\$0.00</b>
Grasmere Village Water	\$0	\$68,008,000	<b>\$0.00</b>
<b>Total</b>	<b>\$0</b>		<b>\$0.00</b>

Tax Commitment Calculation	
Total Municipal Tax Effort	\$46,187,135
War Service Credits	(\$443,000)
Village District Tax Effort	\$0
<b>Total Property Tax Commitment</b>	<b>\$45,744,135</b>

 Sam Greene Director of Municipal and Property Division New Hampshire Department of Revenue Administration	10/25/2022
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## Appropriations and Revenues

### Municipal Accounting Overview

Description	Appropriation	Revenue
Total Appropriation	\$27,744,333	
Net Revenues (Not Including Fund Balance)		(\$10,415,694)
Fund Balance Voted Surplus		(\$865,000)
Fund Balance to Reduce Taxes		(\$750,000)
War Service Credits	\$443,000	
Special Adjustment	\$0	
Actual Overlay Used	\$43,965	
<b>Net Required Local Tax Effort</b>	<b>\$16,200,604</b>	

### County Apportionment

Description	Appropriation	Revenue
Net County Apportionment	\$2,148,842	
<b>Net Required County Tax Effort</b>	<b>\$2,148,842</b>	

### Education

Description	Appropriation	Revenue
Net Local School Appropriations	\$36,330,058	
Net Cooperative School Appropriations	\$0	
Net Education Grant		(\$8,492,369)
Locally Retained State Education Tax		(\$2,443,973)
<b>Net Required Local Education Tax Effort</b>	<b>\$25,393,716</b>	
State Education Tax	\$2,443,973	
State Education Tax Not Retained	\$0	
<b>Net Required State Education Tax Effort</b>	<b>\$2,443,973</b>	

## Valuation

### Municipal (MS-1)

Description	Current Year	Prior Year
Total Assessment Valuation with Utilities	\$1,759,819,500	\$1,746,180,900
Total Assessment Valuation without Utilities	\$1,681,394,300	\$1,660,855,600
Commercial/Industrial Construction Exemption	\$0	\$0
Total Assessment Valuation with Utilities, Less Commercial/Industrial Construction Exemption	\$1,759,819,500	\$1,746,180,900

### Village (MS-1V)

Description	Current Year
Goffstown Village	\$329,542,200
Grasmere Village Water	\$68,008,000

# Goffstown

## Tax Commitment Verification

### 2022 Tax Commitment Verification - RSA 76:10 II

Description	Amount
Total Property Tax Commitment	\$45,744,135
1/2% Amount	\$228,721
Acceptable High	\$45,972,856
Acceptable Low	\$45,515,414

If the amount of your total warrant varies by more than 1/2%, the MS-1 form used to calculate the tax rate might not be correct. The tax rate will need to be recalculated. Contact your assessors immediately and call us at 603.230.5090 before you issue the bills. See RSA 76:10, II

<b>Commitment Amount</b>	
Less amount for any applicable Tax Increment Financing Districts (TIF)	
<b>Net amount after TIF adjustment</b>	

**Under penalties of perjury, I verify the amount above was the 2022 commitment amount on the property tax warrant.**

**Tax Collector/Deputy Signature:**

**Date:**

## Requirements for Semi-Annual Billing

### Pursuant to RSA 76:15-a

76:15-a Semi-Annual Collection of Taxes in Certain Towns and Cities - I. Taxes shall be collected in the following manner in towns and cities which adopt the provisions of this section in the manner set out in RSA 76:15-b. A partial payment of the taxes assessed on April 1 in any tax year shall be computed by taking the prior year's assessed valuation times 1/2 of the previous year's tax rate; provided, however, that whenever it shall appear to the selectmen or assessors that certain individual properties have physically changed in valuation, they may use the current year's appraisal times 1/2 the previous year's tax rate to compute the partial payment.

Goffstown	Total Tax Rate	Semi-Annual Tax Rate
Total 2022 Tax Rate	\$26.31	\$13.16

### Associated Villages

Goffstown Village	\$0.00	\$0.00
Grasmere Village Water	\$0.00	\$0.00

## Fund Balance Retention

<b>Enterprise Funds and Current Year Bonds</b>	<b>\$1,927,834</b>
<b>General Fund Operating Expenses</b>	<b>\$55,803,030</b>
<b>Final Overlay</b>	<b>\$43,965</b>

DRA has provided a reference range of fund balance retention amounts below. Please utilize these ranges in the determination of the adequacy of your municipality's unrestricted fund balance, as currently defined in GASB Statement 54. Retention amounts, as part of the municipality's stabilization fund policy [1], should be assessed dependent upon your governments own long-term forecasts and special circumstances. Please note that current best practices published by GFOA recommend, at a minimum, that "...general purpose governments, regardless of size, maintain unrestricted fund balance in their general fund of no less than two months of regular general fund operating revenues or regular general fund operating expenditures." [2],[3]

[1] The National Advisory Council on State and Local Budgeting (NACSLB), (1998), *Framework for Improved State and Local Government Budgeting: Recommended Budget Practices (4.1)*, pg. 17.

[2] Government Finance Officers Association (GFOA), (2009), *Best Practice: Determining the Appropriate Level of Unrestricted Fund Balance in the General Fund*.

[3] Government Finance Officers Association (GFOA), (2011), *Best Practice: Replenishing General Fund Balance*.

### 2022 Fund Balance Retention Guidelines: Goffstown

Description	Amount
<b>Current Amount Retained (12.95%)</b>	<b>\$7,224,270</b>
17% Retained ( <i>Maximum Recommended</i> )	\$9,486,515
10% Retained	\$5,580,303
8% Retained	\$4,464,242
5% Retained ( <i>Minimum Recommended</i> )	\$2,790,152