

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

Re: 2021 Property Tax Rate

Date: 10/27/2021

GOFFSTOWN – The New Hampshire Department of Revenue Administration has approved the 2021 Property Tax Rate for the Town of Goffstown at \$24.82 per \$1,000 of valuation. The 2021 tax rate represents an overall level tax rate from 2020.

	2020	2021
County	\$1.12	\$1.16
Local Education	\$13.47	\$13.33
State Education	\$1.99	\$2.03
Town	\$8.24	\$8.30
Total	\$24.82	\$24.82

Town Portion

The Goffstown Select Board voted to use \$1M in fund balance to offset increases approved in the 2021 budget to achieve an overall level tax rate from the prior year. Higher than anticipated town valuation and higher General Fund revenues allowed the Select Board to use less Fund Balance to offset property taxes than was anticipated at Town Meeting in March. The \$8.30 Town portion of the Tax Rate is \$0.01 less than was projected at Town Meeting in March.

School Portion – Local Education

The Goffstown School Board is pleased to report a slight decrease in the 2021 local education tax. The lower than anticipated tax rate was due to four primary factors: 1) an underspend of the 2020-21 budget due to the impacts of COVID-19 in areas such as transportation, salaries and benefits, 2) use of CARES ACT federal grants to mitigate the effects of COVID-19, 3) supplemental grants from the state and federal government on technology purchases and PPE, and 4) the higher than anticipated town valuation. The \$13.33 2021 local education tax rate was over \$.70 cents **less than** what was projected at Town Meeting in March.



2021 \$24.82

Tax Rate Breakdown Goffstown

Municipal Tax Rate Calculation			
Jurisdiction	Tax Effort	Valuation	Tax Rate
Municipal	\$14,503,792	\$1,746,180,900	\$8.30
County	\$2,025,940	\$1,746,180,900	\$1.16
Local Education	\$23,272,991	\$1,746,180,900	\$13.33
State Education	\$3,364,276	\$1,660,855,600	\$2.03
Total	\$43,166,999		\$24.82

Village Tax Rate Calculation			
Jurisdiction	Tax Effort	Valuation	Tax Rate
Goffstown Village	\$0	\$315,058,000	\$0.00
Grasmere Village Water	\$0	\$64,942,200	\$0.00
Total	\$0		\$0.00

Tax Commitment Calculation	
Total Municipal Tax Effort	\$43,166,999
War Service Credits	(\$458,000)
Village District Tax Effort	\$0
Total Property Tax Commitment	\$42,708,999

 James P. Gerry Director of Municipal and Property Division New Hampshire Department of Revenue Administration	10/26/2021
--	------------

Appropriations and Revenues

Municipal Accounting Overview

Description	Appropriation	Revenue
Total Appropriation	\$25,530,845	
Net Revenues (Not Including Fund Balance)		(\$10,217,319)
Fund Balance Voted Surplus		(\$350,000)
Fund Balance to Reduce Taxes		(\$1,000,000)
War Service Credits	\$458,000	
Special Adjustment	\$0	
Actual Overlay Used	\$82,266	
Net Required Local Tax Effort	\$14,503,792	

County Apportionment

Description	Appropriation	Revenue
Net County Apportionment	\$2,025,940	
Net Required County Tax Effort	\$2,025,940	

Education

Description	Appropriation	Revenue
Net Local School Appropriations	\$34,463,989	
Net Cooperative School Appropriations	\$0	
Net Education Grant		(\$7,826,722)
Locally Retained State Education Tax		(\$3,364,276)
Net Required Local Education Tax Effort	\$23,272,991	
State Education Tax	\$3,364,276	
State Education Tax Not Retained	\$0	
Net Required State Education Tax Effort	\$3,364,276	

Valuation

Municipal (MS-1)

Description	Current Year	Prior Year
Total Assessment Valuation with Utilities	\$1,746,180,900	\$1,732,938,400
Total Assessment Valuation without Utilities	\$1,660,855,600	\$1,649,573,600
Commercial/Industrial Construction Exemption	\$0	\$0
Total Assessment Valuation with Utilities, Less Commercial/Industrial Construction Exemption	\$1,746,180,900	\$1,732,938,400

Village (MS-1V)

Description	Current Year
Goffstown Village	\$315,058,000
Grasmere Village Water	\$64,942,200

Goffstown

Tax Commitment Verification

2021 Tax Commitment Verification - RSA 76:10 II

Description	Amount
Total Property Tax Commitment	\$42,708,999
1/2% Amount	\$213,545
Acceptable High	\$42,922,544
Acceptable Low	\$42,495,454

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

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

Under penalties of perjury, I verify the amount above was the 2021 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 2021 Tax Rate	\$24.82	\$12.41

Associated Villages

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

Fund Balance Retention

Enterprise Funds and Current Year Bonds	\$2,180,615
General Fund Operating Expenses	\$52,013,437
Final Overlay	\$82,266

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*.

2021 Fund Balance Retention Guidelines: Goffstown

Description	Amount
Current Amount Retained (14.69%)	\$7,641,725
17% Retained (<i>Maximum Recommended</i>)	\$8,842,284
10% Retained	\$5,201,344
8% Retained	\$4,161,075
5% Retained (<i>Minimum Recommended</i>)	\$2,600,672