

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

Re: 2020 Property Tax Rate

Date: 11/04/2020

**GOFFSTOWN** – The New Hampshire Department of Revenue Administration has approved the 2020 Property Tax Rate for the Town of Goffstown at \$24.82 per \$1,000 of valuation. This is an increase over the 2019 Property Tax Rate, reflecting the increased appropriations for both the Town and the School approved by town voters at the Annual Town Meeting in March.

	<b>2019</b>	<b>2020</b>
Town	\$8.14	\$8.24
County	\$1.10	\$1.12
Local Education	\$13.28	\$13.47
State Education	\$2.06	\$1.99
<b>Total</b>	<b>\$24.58</b>	<b>\$24.82</b>

#### **Town Portion**

Higher than anticipated town valuation, higher General Fund revenues including CARES Act Funding, and the Goffstown Select Board's decision to the use \$250,000 of fund balance at Tax Rate setting resulted in a lower than anticipated tax rate of \$8.24. This amount was \$0.34 less than projected at Town Meeting in March.

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

Increased revenues from the State, along with savings from the operating budget due to COVID-19, the local school tax rate was lower than anticipated at \$13.47. This amount was \$0.53 less than projected at Town Meeting in March.

If you wish to estimate your property tax bill before you receive it, then you need to use the 2020 property assessment and the 2020 property tax rate. The formula to calculate your next tax bill is:

$$\frac{\text{Tax Rate } (\$24.82) * \text{2020 Assessed Value}}{\$1,000} - \text{first half tax bill}$$

The tax bills are expected to be mailed November 13th, with payments due by December 18, 2020.



<b>2020</b> <b>\$24.82</b>
-------------------------------

## Tax Rate Breakdown Goffstown

Municipal Tax Rate Calculation			
Jurisdiction	Tax Effort	Valuation	Tax Rate
Municipal	\$14,261,960	\$1,732,938,400	<b>\$8.24</b>
County	\$1,947,315	\$1,732,938,400	<b>\$1.12</b>
Local Education	\$23,351,338	\$1,732,938,400	<b>\$13.47</b>
State Education	\$3,285,021	\$1,649,573,600	<b>\$1.99</b>
<b>Total</b>	<b>\$42,845,634</b>		<b>\$24.82</b>

Village Tax Rate Calculation			
Jurisdiction	Tax Effort	Valuation	Tax Rate
Goffstown Village	\$0	\$313,937,200	<b>\$0.00</b>
Grasmere Village Water	\$0	\$64,675,700	<b>\$0.00</b>
<b>Total</b>	<b>\$0</b>		<b>\$0.00</b>

Tax Commitment Calculation	
Total Municipal Tax Effort	\$42,845,634
War Service Credits	(\$455,250)
Village District Tax Effort	\$0
<b>Total Property Tax Commitment</b>	<b>\$42,390,384</b>

  James P. Gerry Director of Municipal and Property Division New Hampshire Department of Revenue Administration	11/3/2020
--	-----------

## Appropriations and Revenues

### Municipal Accounting Overview

Description	Appropriation	Revenue
Total Appropriation	\$24,574,941	
Net Revenues (Not Including Fund Balance)		(\$9,724,411)
Fund Balance Voted Surplus		(\$825,000)
Fund Balance to Reduce Taxes		(\$250,000)
War Service Credits	\$455,250	
Special Adjustment	\$0	
Actual Overlay Used	\$31,180	
<b>Net Required Local Tax Effort</b>	<b>\$14,261,960</b>	

### County Apportionment

Description	Appropriation	Revenue
Net County Apportionment	\$1,947,315	
<b>Net Required County Tax Effort</b>	<b>\$1,947,315</b>	

### Education

Description	Appropriation	Revenue
Net Local School Appropriations	\$35,538,157	
Net Cooperative School Appropriations	\$0	
Net Education Grant		(\$8,901,798)
Locally Retained State Education Tax		(\$3,285,021)
<b>Net Required Local Education Tax Effort</b>	<b>\$23,351,338</b>	
State Education Tax	\$3,285,021	
State Education Tax Not Retained	\$0	
<b>Net Required State Education Tax Effort</b>	<b>\$3,285,021</b>	

## Valuation

### Municipal (MS-1)

Description	Current Year	Prior Year
Total Assessment Valuation with Utilities	\$1,732,938,400	\$1,710,609,750
Total Assessment Valuation without Utilities	\$1,649,573,600	\$1,634,025,050
Commercial/Industrial Construction Exemption	\$0	\$0
Total Assessment Valuation with Utilities, Less Commercial/Industrial Construction Exemption	\$1,732,938,400	\$1,710,609,750

### Village (MS-1V)

Description	Current Year
Goffstown Village	\$313,937,200
Grasmere Village Water	\$64,675,700

# Goffstown

## Tax Commitment Verification

### 2020 Tax Commitment Verification - RSA 76:10 II

Description	Amount
Total Property Tax Commitment	\$42,390,384
1/2% Amount	\$211,952
Acceptable High	\$42,602,336
Acceptable Low	\$42,178,432

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 2020 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 2020 Tax Rate	\$24.82	\$12.41

### 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>\$2,326,892</b>
<b>General Fund Operating Expenses</b>	<b>\$50,831,723</b>
<b>Final Overlay</b>	<b>\$31,180</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*.

### 2020 Fund Balance Retention Guidelines: Goffstown

Description	Amount
<b>Current Amount Retained (13.97%)</b>	<b>\$7,103,611</b>
17% Retained ( <i>Maximum Recommended</i> )	\$8,641,393
10% Retained	\$5,083,172
8% Retained	\$4,066,538
5% Retained ( <i>Minimum Recommended</i> )	\$2,541,586