

From: Derek M. Horne, Town Administrator
Brian Balke, Superintendent of Schools

Re: 2019 Property Tax Rate

Date: 10/23/2019

GOFFSTOWN – The New Hampshire Department of Revenue Administration has approved the 2019 Property Tax Rate for the Town of Goffstown at \$24.58 per \$1,000 of valuation. This is an increase over the 2018 Property Tax Rate, which included a low Local Education portion due to the one-time return of accumulated surplus of funds last fall.

	2018	2019
County	\$1.14	\$1.10
Local Education	\$7.32	\$13.28
State Education	\$2.00	\$2.06
Town	\$8.14	\$8.14
Total	\$18.60	\$24.58

Town Portion

The Goffstown Select Board was able to maintain a level Town portion of the tax rate. This was accomplished through targeted use of unassigned fund balance on one-time capital projects approved at Town Meeting, Town revenues coming in approximately \$100,000 greater than anticipated during budgeting, a 1.0% increase to town valuation over the prior year, and municipal aid payments included in the State’s 2020-2021 biennial budget.

School Portion – Local Education

In 2018, the Goffstown School District returned over \$10M in funds to the taxpayers that was retained in error. This action resulted in a significant reduction in the 2018 Local School tax rate from what would have been \$13.23 to \$7.32 per thousand - a one-time reduction. Although the local school tax rate was projected to be \$14.09 in 2019, a combination of unspent school budget funds, additional revenues from the State of New Hampshire, and other sources combined for an actual local school tax rate of \$13.28. The 2019 tax rate reflects a restabilization to pre-2018 levels.

	2017	2018*	2018	2019 Projected	2019 Actual
Local Education (per \$1,000 value)	\$14.63	\$13.23	\$7.32	\$14.09	\$13.28

**Denotes what the 2018 Local Education rate would have been without the returned funds.*

How to Estimate a Property Tax Bill

If you wish to estimate your property tax bill before you receive it, then you need to use the 2019 property assessment and the 2019 property tax rate. The formula to calculate your next tax bill is:

$$\frac{\text{Tax Rate } (\$24.58) * \text{Assessed Value}}{\$1,000} - \text{first half tax bill}$$

The tax bills are expected to be mailed by November 6th, with payments due by December 6th, 2019.



2019 \$24.58

Tax Rate Breakdown Goffstown

Municipal Tax Rate Calculation			
Jurisdiction	Tax Effort	Valuation	Tax Rate
Municipal	\$13,926,198	\$1,710,609,750	\$8.14
County	\$1,880,809	\$1,710,609,750	\$1.10
Local Education	\$22,719,375	\$1,710,609,750	\$13.28
State Education	\$3,362,641	\$1,634,025,050	\$2.06
Total	\$41,889,023		\$24.58

Village Tax Rate Calculation			
Jurisdiction	Tax Effort	Valuation	Tax Rate
Goffstown Village	\$0	\$312,424,600	\$0.00
Grasmere Village Water	\$0	\$64,461,800	\$0.00
Total	\$0		\$0.00

Tax Commitment Calculation	
Total Municipal Tax Effort	\$41,889,023
War Service Credits	(\$453,750)
Village District Tax Effort	\$0
Total Property Tax Commitment	\$41,435,273

 James P. Gerry Director of Municipal and Property Division New Hampshire Department of Revenue Administration	10/22/2019
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Appropriations and Revenues

Municipal Accounting Overview

Description	Appropriation	Revenue
Total Appropriation	\$24,204,388	
Net Revenues (Not Including Fund Balance)		(\$9,260,788)
Fund Balance Voted Surplus		(\$1,502,253)
Fund Balance to Reduce Taxes		\$0
War Service Credits	\$453,750	
Special Adjustment	\$0	
Actual Overlay Used	\$31,101	
Net Required Local Tax Effort	\$13,926,198	

County Apportionment

Description	Appropriation	Revenue
Net County Apportionment	\$1,880,809	
Net Required County Tax Effort	\$1,880,809	

Education

Description	Appropriation	Revenue
Net Local School Appropriations	\$33,738,926	
Net Cooperative School Appropriations	\$0	
Net Education Grant		(\$7,656,910)
Locally Retained State Education Tax		(\$3,362,641)
Net Required Local Education Tax Effort	\$22,719,375	
State Education Tax	\$3,362,641	
State Education Tax Not Retained	\$0	
Net Required State Education Tax Effort	\$3,362,641	

Valuation

Municipal (MS-1)

Description	Current Year	Prior Year
Total Assessment Valuation with Utilities	\$1,710,609,750	\$1,694,225,350
Total Assessment Valuation without Utilities	\$1,634,025,050	\$1,622,558,650
Commercial/Industrial Construction Exemption	\$0	\$0
Total Assessment Valuation with Utilities, Less Commercial/Industrial Construction Exemption	\$1,710,609,750	\$1,694,225,350

Village (MS-1V)

Description	Current Year
Goffstown Village	\$312,424,600
Grasmere Village Water	\$64,461,800

Goffstown

Tax Commitment Verification

2019 Tax Commitment Verification - RSA 76:10 II

Description	Amount
Total Property Tax Commitment	\$41,435,273
1/2% Amount	\$207,176
Acceptable High	\$41,642,449
Acceptable Low	\$41,228,097

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 2019 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 2019 Tax Rate	\$24.58	\$12.29
Associated Villages		
Goffstown Village	\$0.00	\$0.00
Grasmere Village Water	\$0.00	\$0.00

Fund Balance Retention

Enterprise Funds and Current Year Bonds	\$2,039,243
General Fund Operating Expenses	\$50,127,970
Final Overlay	\$31,101

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), (2015), *Best Practice: Fund Balance Guidelines for the General Fund.*

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

2019 Fund Balance Retention Guidelines: Goffstown

Description	Amount
Current Amount Retained (12.63%)	\$6,329,856
17% Retained <i>(Maximum Recommended)</i>	\$8,521,755
10% Retained	\$5,012,797
8% Retained	\$4,010,238
5% Retained <i>(Minimum Recommended)</i>	\$2,506,399