



Town of Ossipee, New Hampshire  
Office of the Selectmen  
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December 2021

Dear Ossipee Tax-Payer,

This letter is to help you understand the tax bill you are receiving and more importantly the components that comprise your total rate. We often experience residents with the misconception that the town is responsible for all or most of the bill, when in fact the opposite is true. Here are the five components that make up the total bill:

**Local Education:** This is the largest component of your tax bill, by far. This budget is controlled by the School District including the School Board, with no involvement or authority by the Town of Ossipee officials. *If you are a registered voter*, your input and ability to influence this budget comes in the form of the annual deliberative session, which is next scheduled to take place at Kingswood Arts Center on February 5<sup>th</sup>, 2022 and then by voting at the local election on March 8<sup>th</sup> at Town Hall.

**State Education:** While it is a smaller portion of your tax bill, this tax rate is also not controlled by the town. This is set at the state level.

**County:** The County Commissioners create the budget request and then the County Delegation (of State Reps) vote on it. There is no involvement or authority for the Selectmen of the towns within.

**Fire Precincts/Village Districts:** Within the Town of Ossipee, three village districts exist: The Center Ossipee Precinct, Ossipee Corner Precinct, and West Ossipee Precinct which each have a fire department. These village districts operate as their own municipalities, with their own budgets and annual meeting. The Selectmen have no authority or control over these budgets. However, *registered voters* of a fire precinct/village district can provide input and vote on this budget at the appropriate precinct's annual meeting to be held typically in March.

**Municipal:** This is the portion of the tax bill that funds town operations. The budget is recommended by an elected Budget Committee and then voted on by all *registered voters* of the town that attend the annual Town Meeting in March. Contrary to popular belief, this town portion is far less than half of your total tax bill typically.

Regarding the Municipal (town's) spending, we are proud to announce a milestone accomplished this year. In 2020 the Selectmen adopted an Unassigned Funds Policy to ensure fiscal solvency and prevent cash shortages. After a year and a half of practicing financial frugality and fiscal discipline, the most recent audit shows that we not only met but exceeded the goals in the policy. As a result, we have in fact been able to use part of this fund balance to reduce the municipal portion of this year's taxes.

Respectfully,  
Matt Sawyer Jr.  
Town Administrator



## Tax Rate Breakdown Ossipee

Municipal Tax Rate Calculation			
Jurisdiction	Tax Effort	Valuation	Tax Rate
Municipal	\$4,612,401	\$785,027,718	<b>\$5.87</b>
County	\$958,677	\$785,461,218	<b>\$1.22</b>
Local Education	\$7,338,956	\$785,027,718	<b>\$9.35</b>
State Education	\$1,460,292	\$771,081,218	<b>\$1.89</b>
<b>Total</b>	<b>\$14,370,326</b>		<b>\$18.33</b>

Village Tax Rate Calculation			
Jurisdiction	Tax Effort	Valuation	Tax Rate
Center Ossipee Fire	\$643,306	\$361,408,087	<b>\$1.78</b>
Ossipee Corner Light	\$495,034	\$230,248,206	<b>\$2.15</b>
West Ossipee Fire	\$459,318	\$193,804,925	<b>\$2.37</b>
<b>Total</b>	<b>\$1,597,658</b>		<b>\$6.30</b>

Tax Commitment Calculation	
Total Municipal Tax Effort	\$14,370,326
War Service Credits	(\$171,000)
Village District Tax Effort	\$1,597,658
Total Property Tax Commitment	\$15,796,984

James P. Gerry  
Director of Municipal and Property Division  
New Hampshire Department of Revenue Administration

11/10/2021

## Appropriations and Revenues

### Municipal Accounting Overview

Description	Appropriation	Revenue
Total Appropriation	\$7,317,468	
Net Revenues (Not Including Fund Balance)		(\$2,684,682)
Fund Balance Voted Surplus		\$0
Fund Balance to Reduce Taxes		(\$250,000)
War Service Credits	\$171,000	
Special Adjustment	\$0	
Actual Overlay Used	\$58,615	
<b>Net Required Local Tax Effort</b>	<b>\$4,612,401</b>	

### County Apportionment

Description	Appropriation	Revenue
Net County Apportionment	\$958,677	
<b>Net Required County Tax Effort</b>	<b>\$958,677</b>	

### Education

Description	Appropriation	Revenue
Net Local School Appropriations	\$0	
Net Cooperative School Appropriations	\$11,556,437	
Net Education Grant		(\$2,757,189)
Locally Retained State Education Tax		(\$1,460,292)
<b>Net Required Local Education Tax Effort</b>	<b>\$7,338,956</b>	
State Education Tax	\$1,460,292	
State Education Tax Not Retained	\$0	
<b>Net Required State Education Tax Effort</b>	<b>\$1,460,292</b>	

## Valuation

### Municipal (MS-1)

Description	Current Year	Prior Year
Total Assessment Valuation with Utilities	\$785,461,218	\$776,494,715
Total Assessment Valuation without Utilities	\$771,081,218	\$763,121,915
Commercial/Industrial Construction Exemption	\$433,500	\$147,700
Total Assessment Valuation with Utilities, Less Commercial/Industrial Construction Exemption	\$785,027,718	\$776,347,015

### Village (MS-1V)

Description	Current Year
Center Ossipee Fire	\$361,408,087
Ossipee Corner Light	\$230,248,206
West Ossipee Fire	\$193,804,925

# Ossipee

## Tax Commitment Verification

### 2021 Tax Commitment Verification - RSA 76:10 II

Description	Amount
Total Property Tax Commitment	\$15,796,984
1/2% Amount	\$78,985
Acceptable High	\$15,875,969
Acceptable Low	\$15,717,999

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 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.

Ossipee	Total Tax Rate	Semi-Annual Tax Rate
Total 2021 Tax Rate	\$18.33	\$9.17
Associated Villages		
Center Ossipee Fire	\$1.78	\$0.89
Ossipee Corner Light	\$2.15	\$1.08
West Ossipee Fire	\$2.37	\$1.19

## Fund Balance Retention

<b>Enterprise Funds and Current Year Bonds</b>	<b>\$404,030</b>
<b>General Fund Operating Expenses</b>	<b>\$16,671,363</b>
<b>Final Overlay</b>	<b>\$58,615</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), (2015), *Best Practice: Fund Balance Guidelines for the General Fund*.

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

2021 Fund Balance Retention Guidelines: Ossiipee	
Description	Amount
<b>Current Amount Retained (10.88%)</b>	<b>\$1,813,983</b>
17% Retained <i>(Maximum Recommended)</i>	\$2,834,132
10% Retained	\$1,667,136
8% Retained	\$1,333,709
5% Retained <i>(Minimum Recommended)</i>	\$833,568