

DRAFT

Hanover Finance Committee

April 9, 2012

Hanover Town Hall

Hanover, NH

Members present: K. Fenner (chair), K. Cotter, M. Gerling, D. Press, H. Postupack, P. Christie

Members absent: J. Ruth

Also present: None

The chair called the meeting to order at 5:05PM

Agenda Items Discussed

1. Review/amendment of agenda

The Chair asked for comments on the agenda. There were none.

2. Public comments on items not on the agenda

There were no public members present.

3. Minutes of HFC meeting of March 12, 2012

Corrections and clarifications were suggested by committee members. There was a motion to pass the minutes of March 12, 2012 as amended by H. Postupack and seconded by K. Cotter. Approved; 1 abstention.

4. Election of Officer

There was a discussion of the need for a Vice Chair. This was tabled until the next meeting.

5. Discussion of Process for Establishing Guidelines

SCHOOL BUDGET: A general discussion was held regarding the difficulty of giving guidelines framed in terms of operating expenses and how it is difficult to get a handle on. It was pointed out that using Tax Rate is not a good metric since many things (such as taxable value and state aid) impact the final tax rate and that school managers have no control over these things. There was a general discussion that guidelines might be structured in terms of any of the following:

% Change in Tax Rate

% Change in Operating Budget

% Change in Net Assessment

% Change from Prior Year Last Year Budget

There was a discussion of some of the items that impact the Net Assessment and Tax Rates each year which are out of the control of school operational management

6th Grade Tuition Delay

Tuition Students

NH vs VT Tax rates (as they apply to Dresden)

State Downshifting

Special Ed Costs

TOWN BUDGET:

There was a discussion of using % change in Tax rate vs % change in the amounts raised from taxes (the difference being the increase in the town's Grand List (valuation) – which on the town level has been pretty consistently increasing by approximately 1% annually). It was also noted that Capital Spending, Fees and State Funding are variables that can have a major impact on rates. It was discussed that Guidelines might be developed in terms of items such as:

% Change in Tax Rate

% Change in the amount raised from taxes

There was a discussion that guidance ought to be given in terms of expenditure levels since it is expenditures that managers can control.

Decision that we table any decision on how to formulate Guidelines until the next meeting for more discussion.

6. Meeting dates for June and July

There was a discussion as to whether the committee wished to hold a session to review the operating expenditures of the Police Department and get a better understanding of those operations. It was discussed as to how much detail the Committee should delve into. It was decided to schedule a 1-hour session to discuss the Police Department Budget. We will schedule discussion of Police at next meeting on May 14.

7. Adjournment

There was a motion by M. Gerling to adjourn, second by K. Cotter. The HFC adjourned at 6:05PM.

Next meeting is scheduled for May 14, 2012; 5PM: Hanover Town Hall

Submitted 03/12/2012

Michael Gerling

Secretary