

APPROVED

Hanover Finance Committee

November 5, 2012

Hanover Town Hall

Hanover

Members present: K. Fenner (chair), M. Gerling, H. Postupack, P. Christie, J. Ruth,

Members absent: D. Press, K. Cotter

Also present: R. Carpenter (for K. Cotter), Clare Brauch (public)

The chair called the meeting to order at 4:30PM

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 was no public in attendance or comments regarding the agenda
3. Minutes of HFC meeting of September 10, and Oct. 15, 2012:
There was a motion to approve the minutes of September 10, 2012 by M Gerling seconded by P. Christie — Approved. There was a motion to approve minutes of October 15, 2012 by J. Ruth seconded by M. Gerling — Approved.
4. Update on Ray School budget & enrollment
Enrollments levels: Current FY13 457, Current Projection for FY14 (3-year weighted average) 421. K. Fenner updated charts based on 430 and has the quick model showing substantial increased cost per student. As we have said in our guidance, it is the belief of the committee that as enrollments drop we must make changes to impact the ever-increasing cost per students. Hanover Budget meeting to initiate discussion is scheduled for 11/14. R. Carpenter reiterated that the Budget books will be available for the committee and will be posted online for public access.
5. Historical review of the town levy over the past 10 years
J. Ruth and J. Griffin have both prepared some historical information. J. Ruth prepared a schedule that was distributed showing the per-person tax levy and the change over the years growing about 5% per year over the last 10 years as compared to the MCI which has grown 3.4% per year and the CPI which has grown at 2.7% per year. He contends that the town budget has grown significantly higher than these two items and that we ought to be looking at budgets that are pegged more towards one of these two indexes. There was some discussion regarding what the impact of “state downshifting” has been. It was reported that in last year budget the cumulative impact was approximately 5%.

There was a discussion between members regarding town expenditure levels and if there could or should be guidance regarding reducing expenditure levels in future budget levels.

6. Recommendations for Budget Guidelines for Town

At the next Select Board meeting (11/19) the Select Board will be setting the budget guidelines. The chair asked if anyone from the committee wished to attend the meeting and offer input. There was a question put forth regarding whether the absolute amount or the year-to-year rate of change is too high. The chair asked if there is anything that we wish to propose.

A motion was made by J. Ruth that we recommend that the total town tax levy not exceed \$10 million, seconded by H. Postupack. 1 Approved, 4 Opposed. The motion failed.

A motion was made by J Ruth to have 0% increase in total tax levy year over year (from current year), seconded by H Postupack. 1 Approved, 4 Opposed the motion failed.

A motion was made by H Postupack seconded by M Gerling to have a total tax levy increase that is no greater than the municipal cost index with no adjustment for state down shifting. 4 Approved, 1 Opposed, The motion passed.

7. Next Meeting Date

12/10 Norwich 4:30pm

8. Adjournment

There was a motion by J Ruth to adjourn, seconded by K Cotter . The HFC adjourned at 5:30PM.

Submitted

Michael Gerling, Secretary

11/15/2012