

**Hanover Finance Committee**

March 11, 2013

Hanover Town Hall

Hanover, NH

Members present: K. Fenner (chair), M. Gerling, J. Ruth, J. Buckey (sitting in for P. Christie), H. Postupack, K. Cotter

Members absent: P. Christie

Also present: None

The meeting was called to order at 4:40 by Committee Chair K. Fenner

**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 01/14/2013; 01/21/2013; 03/11/2013  
Minutes of 01/14/2013 motion made by M. Gerling second by K. Cotter  
Approved  
Minutes of 01/21/2013 motion made by M. Gerling second by K Cotter  
Approved  
Minutes of 02/25/2013 motion made by J. Ruth second by M Gerling  
Approved (note: item number 3 “proposed” should be “postponed”)
4. Report on Town Budget Hearings  
Discussion of key items from Budget Hearings. Sidewalk: The decision was made to pull the new proposed sidewalk from the budget and look toward a larger town sidewalk study. Parking: The decision was made to postpone all but the meter replacement and do a more complete study of parking proposals impact. The meter replacement will be accomplished through the Parking reserve fund so there will be no impact on the tax levy. Water Main: There was a discussion of how to deal with the Water Main on Lebanon Street issues. It was decided to replace this main following repeated failures. This will be accomplished through the Water Fund reserves.

The Chair discussed her disappointment with the Select Board’s lack of following its own policy of using overfunded Fund balances (reserves) (in excess of 10%) to reduce current tax levies. \$240,000 is available but the Board decided to utilize only ½ of the excess rather than the full amount despite the fact that the reserve balance has been in excess of 10% for the past three years.

There was a decision to replace the Police Department roof which will be accomplished out of the Building Maintenance Capital Reserve Fund. There was

a discussion regarding raising building zoning and permit fees for the up coming year. The Chair recommended that we take a serious look at raising our fees at least at the rates of inflation. Potentially, there may be increased fees recommended which will result in a lower tax rate then indicated.

The Town Manager reported that the Select Board was reticent to utilize the entire \$240,000 of Undesignated Fund balance in order to smooth the impact on the tax rate over two years rather than pull it all into one year.

5. HFC Opinion on Proposed Town Budget

Finance committee had given guidance of a 1.7% increase in the total tax levy with absorption of state downshifting. Given the fact that the proposed budget did not meet the proposed guidelines and that the Select Board did not follow its own Policy of returning Reserve Fund Balances in excess of 10% to the taxpayers over a two year period a Motion was made by J. Ruth seconded to by M. Gerling to not support the budget as proposed by the Select Board for FY 2014. 5 approved 2 opposed Carried.

D. Press will circulate a draft of Committee's opinion for members input this evening.

6. Other items arising after the Posting of the agenda

7. Next Meeting Date

April 11, 2013 in Norwich

8. Adjournment

There was a motion by H Postupack to adjourn. Second by J. Ruth The HFC adjourned at 5:35PM.

Submitted

Michael Gerling, Secretary

3/11/2013