

Hanover Finance Committee

November 18, 2013

Black Community Center

Hanover, NH

Members present: K. Fenner, M. Gerling, H. Postupack (Chair), J. Ruth, K. Cotter (Hanover School Board representative sitting in for J. Roberts)

Members absent: D. Press, J. Roberts (Hanover School Board representative), J. Buckey (Hanover Select Board representative)

Also present:

The meeting was called to order at 5:02 by Committee Chair H. Postupack

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 October 7, 2013
Minutes of October 7, 2013 were reviewed. A motion to approve was made by K. Fenner second by J. Ruth. Approved
Minutes of October 16, 2013 were reviewed. A motion to approve was made by J. Ruth seconded by K. Fenner. Approved
4. Discussion on developing next year's Hanover town budget and guidelines
It was hoped that we would have information back from the Select Board by this time on our proposed recommendations. We have not yet received any feedback. Representatives of the Finance Committee presented our recommendations to the Select Board on October 21st, 2013. There were several questions. One was whether the Finance Committee has been looking at the school budgets in the same manner as we are proposing for the Town. It was noted that historically the school budgets have not been growing at rates in excess of inflation rates unlike the town's budget. It was noted that schools appear to be more responsive to the Finance Committee's concern's regarding growth of expenses in excess of inflation. The Finance Committee has proposed that the Town budget guideline be an increase of 1.3% on the tax LEVY, the Select Board has proposed a 1.3% increase in Tax RATE. This will represent an approximate \$40,000 increase in spending difference for the budget. It was determined that no action is warranted by the Finance Committee at this time.
5. Update on work of Hanover School Board and Budget Committee

There was a discussion of the presentation that was made by Banwell Associates for the Ray School renovation project. The initial project costs were estimated at slightly over \$5 million. The current estimates are approximately \$4.8-\$4.9 million following some minor changes. The plan is to come in under a \$5 million bonding for the project. Indications are that the current bond payment of approximately \$40/household will increase to approximately \$70/household at the outset. The building committee will have open forums in the month of December for public information and comment. There was a general discussion of the project by the committee.

There was a discussion of proposed enrollment figures for the Hanover district. The current thought is to use a 3-year rolling average for enrollment figures. Current enrollment is 463. The current three-year rolling average is 464. It is planned that a projected number for next year will be determined next month.

There was a discussion of the development of Hanover class size guidelines and what the impact of adopting such a policy would be. It was noted that that perhaps 1-3 teachers would be added to meet class size guidelines. It is yet to be determined whether this would be fiscally possible.

The School Budget committee will recommend to the full Board that we institute a 2% hold back of any unspent fund balance that may result as allowed by the new State regulations. It will be recommended that some of this will be used for the unfunded liabilities that exist. There was some question as to whether it is 2% of the budget (as allowed by the state) or 2% of unspent funds. Clarification will be forthcoming.

6. Other items arising after the Posting of the agenda

Heidi will cover the Hanover Budget meeting next week (the 25th), we are looking for someone to cover the Dresden meetings on the 26th.

7. Next Meeting Date

Scheduled for December 9, 2013 at 5:30pm at the Black Center

8. Adjournment

There was a motion by K. Fenner to adjourn. Second by J. Ruth. The HFC adjourned at 5:55PM.

Submitted

Michael Gerling, Secretary

Submitted 11/18/13