

APPROVED

Hanover Finance Committee

January 5, 2015

Black Community Center

Hanover, NH

Members present: H. Postupack (Chair), M. Gerling, J. Ruth, K. Fenner, D. Press, L. Wheelan (school board representative), J. Buckey (Selectboard representative)

Members absent: none

The meeting was called to order at 5:04 pm by the chair H. Postupack.

Agenda Items Discussed

1. Review/amendment of agenda
The Chair asked for comments on the agenda. An item regarding the Dresden Budget was added to the agenda.
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 December 8, 2014
A motion to approve the minutes was made by K. Fenner. Seconded by J. Ruth. Approved.
4. Update on development of Hanover School District Budget
H. Postupack reviewed the budget documents that were distributed. It was noted that our guidelines that we were willing to support back in November was an operating expense increase of 2.61% not including increases due to debt service. The actual proposed increase is currently at 5.81%. The unanticipated increases have been mostly due to (a) an increase in enrollment of 33 students and (b) increases in special-education costs. There was some discussion of "if the school was required to cut \$300,000 more from the budget where would it come from." Clearly such cuts would in part result in larger class size.

There was a lengthy discussion regarding the impacts of special-education costs to the district.

There was a discussion that the community basically has three options:

1. To approve the budget as presented
2. Reject the budget and require cuts, which will most likely come from "regular" education
3. Reject the budget and require proportional cuts from "regular" education and "special" education

There was a discussion as to what the impact of reducing special-education expenditures would be and what the potential ramifications (legal and otherwise) might be. It was suggested that some work should be done to analyze Hanover special-education costs as they relate to other schools in NH. Both in terms of percentage of total expenditures and costs per pupil.

There was a discussion that the World Language Program expansion will not be in the budget but MAY be added as a separate warrant article which will most likely have a cost of approximately \$150,000 - \$200,000.

It was decided that Heidi would draft a statement for the School Board meeting in which the HFC acknowledged the hard work by the administration and Board in developing a budget in a difficult year. That the HFC acknowledges the challenges that are being placed on the district by rising Special Education costs and the desire not to diminish the quality of the Regular Education programs in order to hold a tighter rein on total expenses. The HFC urges the Administration and Board to continue to look at ways to hold the line on Special Education costs in the district so that the quality of Regular Education programs do not suffer. Given all the unanticipated expenses in this coming year, the HFC has indicated that it will support the proposed budget despite the fact that it does not meet the guidelines that were provided during the early budget-development process. However, the HFC urges the Board to continue to look for further reductions in preparing the final proposed budget. A motion was made by K. Fenner to support such a statement, seconded by M. Gerling. The motion passed unanimously.

5. Update on the Dresden School Budget

There was a brief discussion of the Dresden budget that is being proposed with an increase in operating expenses of 2.59% versus our guidance of 2.53%. A motion was made by K. Fenner and seconded by L. Wheelan to support the proposed Dresden School Budget. The motion passed unanimously.

6. Next Meeting Date

January 15, 2015 from 5:00 – 7:00 pm. Heidi will confirm the location.

7. Adjournment

The HFC adjourned at 7:00 pm.

Submitted

Michael Gerling, Secretary

Submitted 1/12/15