

HANOVER FINANCE COMMITTEE

Statement on the Proposed Dresden School District Warrants for FY18

The Hanover Finance Committee (HFC) is an appointed Town committee composed of Hanover residents¹ charged with reviewing financial matters of the Town, and offering guidance on those matters to the Hanover School Board (HSB), Town officials, and residents. For the benefit of Hanover taxpayers, the HFC also reviews financial matters of the Dresden School District, offering guidance on those matters to the Dresden School Board (DSB). As part of its deliberations on the proposed Dresden School District budget for FY18 (2017-18), members of the HFC reviewed projected revenue and expenditure data, attended public meetings of the DSB, attended DSB Budget Committee meetings as appropriate, and discussed the details of the budget with DSB members and school administrators.

During a public meeting on January 27, 2017, the Hanover Finance Committee voted unanimously to support the proposed FY18 Dresden School District Budget of \$26,004,777 in all suggested articles. The proposed budget will increase spending by 2.48%, resulting in a 3.3% increase in net assessment to Hanover and a 6.0% increase in net assessment to Norwich, based on projected student enrollment.

In developing the Dresden District Budget for FY18, the goal of administrators and the Dresden School Board was to propose a budget within a target increase of between 1.75% and 2.75%. Due to late notice of significant increases in contractual health insurance and retirement benefits, this goal proved difficult to achieve, and required a flurry of Dresden- and SAU 70 board meetings until the end of January. The Dresden School Board presented and approved a final budget on January 24, 2017 that met the initial guideline set early in the fall of 2016.

While enrollment at Richmond Middle School and Hanover High School are holding steady or trending down slightly, the High School has been experiencing a welcome, albeit moderate, increase in tuition students. With a 10% projected increase in tuition revenue, this influx is enabling the District to maintain staffing and programs for the benefit of all students in the District. It is important to note that contractual obligations of the District, such as health insurance and retirement benefits, continue to be among the most significant drivers of budget increases.

¹ The members of the Hanover Finance Committee are Heidi Postupack (Chair), Kari Asmus (Secretary), Carey Callaghan (Hanover School Board representative), Bill Geraghty (Select Board representative), Nancy Marion, Daryl Press, and John Ruth.