

**Hanover Finance Committee (HFC)**  
***Minutes***  
**September 28, 2023**

**Location:** Community Lounge, Black Community Center, 48 Lebanon St., Hanover, NH

**Attendees:** Kari Asmus, John Dolan, Richard Greger, Herschel Nachlis, Antonia Barry (School Board representative), Carey Callaghan (Hanover Selectboard representative)

**Regrets:** Gregory Snyder

Meeting called to order by Kari Asmus at 5:06 pm

- 1) Public Comment - none
- 2) Review and Reordering of Agenda
- 3) Report of Selectboard Member Update
  - a) FY25 Budget Process
    - Traditional format for the process will be used vs. Town manager's request for a "fair type" format to allow more input from the community
    - Town departments will prepare and present their budgets to the Selectboard
  - b) Capital Improvements Program Committee
    - 2<sup>nd</sup> weekend in October will be the inaugural meeting
    - Input will be reviewed and discussions taking place 11/23 - 1/24
  - c) Other Update
    - Collective bargaining is underway for town employees
    - Recruitment and Retention Study outcome will not be made public Selectboard meeting on Oct. 18<sup>th</sup> to prioritize budgeting processes
    - HFC requested access to information earlier, to allow input into the budgeting process – ideally October and not toward the March budget review and approval
    - Draft of the FY2023 audit under review and expected to be completed by mid-Oct
- 4) TY23 (Tax Year 2023) / FY24 (Fiscal Year 2024) Tax Rate Setting Updates
  - Tax year runs April 1, 2023 through March 31, 2024
  - Fiscal year runs July 1 through June 30
  - In Hanover approximately 30% of property within the town is not taxed
  - TY23 Net Assessed Valuation of taxable property is \$2.721 Billion
  - Up to now the town hasn't adjusted its projected 6.5% tax increase for next year
  - Currently, unlike school districts, the town has no limit on "retained" unused funds in Undesignated Fund Balances as a result they are unlikely to provide tax relief

- 5) School District Budget Discussion Updates
  - a) Dresden
    - Quick model suggests 1.9% increase in taxes from previous year vs. the school board's draft guidelines indicating a 3% increase as a goal.
    - School board prefers to reinvest surplus funds (up to retained limits) into schools vs. taxpayer relief potentially leading to an acceleration of future tax increases
  - b) Hanover School District
    - No information available yet on retained funds from FY23. Quick model indicates a 2.8% increase in the budget
    - i) Hanover District Enrollment Update
      - Per existing enrollment guidelines Grades 1 and 2 could both have reduced sections by 1 and still be within guidelines
      - Grade 3 has too many sections totaling 5 in number (16.4 students / section) based on class size guidelines (17 – 22 / per class section)
      - School may go from 26 to 25 sections based on projected future enrollments
    - ii) Hanover Special Education Update
      - 2023-24 budget based on 6 students attending out of district (OOD) placement vs. 7 now enrolled in OOD classes. Nonetheless costs are \$320,000 lower than budgeted.
      - Estimated reimbursement of \$657,000 of Special Ed. Aid from NH DoE is higher than budgeted by \$50,000 leading to a small surplus.
      - Transportation costs higher than budgeted leading to a shortfall of -\$30,402
- 6) Minutes from August 31, 2023 Committee Meeting – approved unanimously
- 7) Report of Chair – Important Upcoming Finance Related Meeting Dates
  - a) SAU 70 Budget Committee – Wed, Oct. 11<sup>th</sup>, 9 am, SAU Office
  - b) Selectboard Meeting - Mink Brook Community Workforce Housing Oct. 16<sup>th</sup>
  - c) SAU 70 Budget Presentation – Tues, Oct. 24<sup>th</sup>, 7 pm, HHS Library
  - d) Selectboard Retreat – Wed, Oct. 18<sup>th</sup>, 11 am, Location TBD
  - e) Selectboard Budget Discussion – Mon, Oct. 23<sup>rd</sup>, 7 pm, Town Hall
  - f) **Next HFC Meeting – Thursday, October 26, 2023**
  - g) Dresden/Hanover Budget Committee – Wed Nov. 1
  - h) SAU 70 Budget Adoption – Tues, Nov. 14, 6 PM HHS Library
  - i) **Joint HFC/Dresden-Hanover Budget Committee – Thurs, Nov 30<sup>th</sup>, 5 pm SAU**
- 8) Other Business (Time allowing) - none
- 9) Meeting adjourned at 6:32 PM.