

## FY 2026 BUDGET SUMMARY

The process for the FY 2026 Budget was a collaborative effort between Town Departments, the Selectboard, the Hanover Finance Committee and the engaged public. The foundation of the budget was a Zero-based approach that ensured all appropriations were examined at the account level. Department budgets were presented over three Selectboard meetings in January and February and the discussion continued over the next month and a half, with the final approvals of the budget and warrants on April 14<sup>th</sup>.

The Town Budget consists of six funds with varied revenue sources:

General Fund: Non-tax and Tax Revenue

Fire Fund: Non-tax and Tax Revenue

Ambulance Fund: Community contributions from Hanover (taxpayers), Lyme and Norwich and patient billing

Water Fund: Water Rate Payers

Wastewater Fund: Sewer Rate Payers

Parking Fund: Parking User Fees

The FY 2026 General Fund Budget results in a forecasted 2.8% increase to the Municipal Tax Rate. Keeping the tax rate increase below the rate of inflation was a priority of the Selectboard and the Town's favorable revenue performance in FY 2024 allowed the use of \$2.6 million of Undesignated Fund Balance to offset several one-time appropriations. The largest of these is a \$1.5 million deposit to the Capital Facilities Capital Reserve Fund to offset anticipated infrastructure needs. With this fund balance usage, the fund remains well within the Selectboard guidelines.

Please visit the Town Website @ [hanovernh.org](http://hanovernh.org) to access the FY26 Budget Dashboard where you will find a detailed budget build-up and analysis.