

Selectboard
March 28, 2023
DRAFT

SELECTBOARD MEETING
March 28, 2023
7:30 P.M. - MUNICIPAL OFFICE BUILDING - HANOVER, NH

The meeting of the Selectboard was called to order at 7:30p.m. by Chair Peter Christie. Also present were: Bill Geraghty, Selectboard Member, Joanna Whitcomb, Selectboard Member, Nancy Carter, Selectboard Member, Alex Torpey, Town Manager, Finance Director Ellen Bullion

Absent: Vice Chair Rassias

1. Public Comment

None

2. Public Hearing to Review and Approve the 2023/2024 Budget

Public hearing opened.

Mr. Torpey and E. Bullion thanked the board, the department heads and the Finance Committee for all of their assistance and feedback through this process.

The budget being presented tonight for Selectboard approval to go to Town Meeting is a lean budget, but also incorporates items that staff has been talking about implementing.

E. Bullion walked the board through changes that have been made to the budget over the past week.

Two buckets of changes:

- inter-fund transfers
- budget template reflects revenue and appropriations for all funds.

The budget funds are balanced except where we have known deficits. We are requesting appropriations in the General Fund of \$19,638,000. The biggest driver of that is compensation (69% of the total budget).

11% is Capital

20% is Operating Expenses

Proposal for how to pay it:

- Taxes \$12M (61% of appropriations)
- Non property tax revenues \$7M (36%)
- Use undesignated fund balance \$516,750 (3%)
 - This brings the undesignated fund balance at the end of 2024 to 15%

Proposed tax rate increase is 6.51%.

Public Comment:

Kari Asmus handed out papers to the board members. She discussed the fund balance- numerator and denominator. These are different than what's been used in the past so we shouldn't look too closely at the percentages this year. She itemized a few other questions and noted the differences in the way the budget is presented this year.

Town Manager addressed her questions for the board.

Chair Christie noted the board expected this would be a tough task to bring the budget in this year under 7% increase and he is pleased with the budget and proposed tax rate increase as presented.

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Selectboard Member Geraghty asked if any funds are expected to be left at the end of FY23.

It's a little hard to project, but any left-over funds are in the budget.

One of the changes for tonight's presented budget is that expenses that will be paid by ARPA funds have been removed from the budget. That still leaves over \$900,000 of ARPA funds to be discussed and spent in FY 24.

Kari Asmus noted the Finance Committee is meeting tomorrow night.

She itemized some items in the budget which are still negotiable. She would prefer to reduce some spending in these areas if they can be pushed to a future year. The 6.5% tax rate increase is going to be high for some folks.

She clarified recurring vs non-recurring items.

Chair Christie replied that the board will discuss and decide the pros and cons whether the 1% of extra spending is worth it for the town or not. There are items that could be removed from the budget to save that cost to the taxpayer, but is that in the best interest of the town? That's what they will be deciding.

Kim Hartman, School Board rep to the Finance Committee answered questions of the board such as the school board budget tax rate increase for Hanover is about 6.9% due to loss of state funds and Dresden swing.

After some discussion, the result increase in taxes for a \$500,000 home will be \$500 a year.

Kari Asmus asked about the inter fund transfers. There were some documents she couldn't find to reference it.

E. Bullion addressed the question.

Chair Christie and Kari Asmus had some discussion about whether the budget has met the criteria set by the Selectboard months ago, or whether it's appropriate to keep picking at the individual line items. Ms. Asmus found some accounting error in the water/waste water item which can have an effect on the tax rate or the amount of undesignated funds needed. E. Bullion answered some questions and explained her process on this item.

She can supply some additional information on these funds to the board and Ms. Asmus to confirm whether there are enough funds in that account.

Chair Christie confirmed with Mr. Torpey the acceptable action tonight by the board: to approve a tax rate and if adjustments are needed, the amount of undesignated fund balance to use in the FY 24 budget may be adjusted at a later date.

E. Bullion updated the board about the interest rates in Town accounts.

Last time the board met, they decided to limit the amount spent from the Bressett fund in FY 24 to \$100,000 which was previously allocated for Campion. There have been two other requests for Bressett funds in FY 24 which we were not aware of last week.

- Friends of Oak Hill requested an additional \$100,000 on top of the \$200,000 the board has approved to cover their first year of operating costs.
 - Board discussed this and agreed it's not an acceptable use of the Bressett fund.
- Hanover Conservancy requested \$100,000 to aid their fundraising efforts towards their endowment.
 - Board discussed this and agreed it's not an acceptable use of the Bressett fund.

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Kari Asmus checked a few more items that were changed since the last numbers came out to confirm items that can be paid for with ARPA funds were removed from the budget. Town Manager listed the items that have been removed.

Kim Hartman suggested a warrant article stating any remaining funds after June 30, 2023 move into a reserve fund.

At 8:50pm, Chair Christie MOVED to adopt the budget as presented with the targeted tax rate of 6.51% and a potential \$40,000 adjustment in undesignated fund balance use if research deems it is necessary. Selectboard Member Geraghty SECONDED the Motion. All in favor

Chair Christie noted that the board, Town Manager, Finance Director, Finance Committee members should all have a debrief of this budget process to discuss the pros and cons. He also noted next year will be easier for several reasons including staffing, starting from a better place and in a timelier manner.

3. Other Business

Voting Machines: Request received from Town Clerk and Town Moderator. We have the opportunity to participate in a Beta test program for new voting machines. The request is for Selectboard to approve the testing of the machines at the May 9th Town Election. There is no cost to the Town. Technical support from the machine company and from the state will be on site. This would allow us to try it outside of a large-scale election.

At 8:55pm, Selectboard Member Whitcomb MOVED to approve the request to test the voting machines on May 9th 2023 contingent with on-site support to fix machines that malfunction. Chair Christie SECONDED the Motion. All in favor

4. Adjournment

The board did not need to attend a non-public session.

Selectboard Member Whitcomb MOVED to adjourn at 8:58pm. Selectboard Member Geraghty SECONDED the Motion. All in favor

Respectfully Submitted,
Jessica Marchant

SUMMARY

Item 2

At 8:50pm, Chair Christie MOVED to adopt the budget as presented with the targeted tax rate of 6.51% and a potential \$40,000 adjustment in undesignated fund balance use if research deems it is necessary. Selectboard Member Geraghty SECONDED the Motion. All in favor

Item 3

At 8:55pm, Selectboard Member Whitcomb MOVED to approve the request to test the voting machines on May 9th 2023 contingent with on-site support to fix machines that malfunction. Chair Christie SECONDED the Motion. All in favor

Item 4

The board did not need to attend a non-public session.

Selectboard Member Whitcomb MOVED to adjourn at 8:58pm. Selectboard Member Geraghty SECONDED the Motion. All in favor