

FINAL

**2014 TOWN MEETING
TOWN OF HANOVER
Tuesday, May 13, 2014
Hanover High School Gymnasium**

The annual Town Meeting of Hanover, New Hampshire convened on May 13, 2014 at 7 a.m. by the Town Moderator, Steven Fowler, at the Hanover High Gymnasium. Moderator Fowler explained that the polls would be open from 7 a.m. to 7 p.m. for the purpose of voting for candidates for Town Offices and for all other articles requiring vote by official ballot as set forth in Articles One through Six of the Town Meeting Warrant.

ARTICLE ONE: To vote (by nonpartisan ballot) for the following Town Officers:

Two Selectmen, each to serve for a term of three (3) years;

Peter Christie	399
William Geraghty	394

One Library Trustee to serve for a term of three (3) years;

Kim P. Wilson	403
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One Moderator to serve for a term of two (2) years;

Steve Fowler	401
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One Supervisor of the Checklist to serve for a term of six (6) years;

Elaine Hawthorne	402
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One Trustee of Trust Funds to serve for a term of three (3) years.

Paul Gardent	392
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ARTICLE TWO (to vote by ballot): To see if the Town will vote to amend the Hanover Zoning Ordinance as proposed by the Hanover Planning Board in Amendment No. 1:

The following question is on the official ballot:

“Are you in favor of the adoption of Amendment No. 1 as proposed by the Planning Board for the Hanover Zoning Ordinance as follows?”

Amendment No. 1 would:

- A. Delete Section 317.2E regarding signs and banners and re-number subsequent subsections;
- B. Add a new section, 317.6 Banners, to allow banners in the “I” district under certain conditions; and
- C. Add to Section 902 a definition of “banner”.

At a public hearing held on February 4, 2014, the Hanover Planning Board voted to recommend that Town Meeting adopt this zoning amendment.

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RESULTS: YES 397 NO 41 ARTICLE PASSED

ARTICLE THREE (to vote by ballot): To see if the Town will vote to amend the Hanover Zoning Ordinance as proposed by the Hanover Planning Board in Amendment No. 2:

The following question is on the official ballot:

“Are you in favor of the adoption of Amendment No. 2 as proposed by the Planning Board for the Hanover Zoning Ordinance as follows?”

Amendment No. 2 would:

Amend Section 1001, Zoning Permit, by deleting 1001.8 regarding transferability of permits, and then renumbering the remaining subsections.

At a public hearing held on February 4, 2014, the Hanover Planning Board voted to recommend that Town Meeting adopt this zoning amendment.

RESULTS: YES 381 NO 50 ARTICLE PASSED

ARTICLE FOUR (to vote by ballot): To see if the Town will vote to amend the Hanover Zoning Ordinance as proposed by the Hanover Planning Board in Amendment No. 3:

The following question is on the official ballot:

“Are you in favor of the adoption of Amendment No. 3 as proposed by the Planning Board for the Hanover Zoning Ordinance as follows?”

Amendment No. 3 would:

Amend Section 209.3 B Side and Rear Setback Regulations and Exemptions to increase the side and rear setback for accessory buildings by replacing “7 feet” with “10 feet”.

At a public hearing held on February 4, 2014, the Hanover Planning Board voted to recommend that Town Meeting adopt this zoning amendment.

RESULTS: YES 328 NO 120 ARTICLE PASSED

ARTICLE FIVE (to vote by ballot): To see if the Town will vote to amend the Hanover Zoning Ordinance as proposed by the Hanover Planning Board in Amendment No. 4:

The following question is on the official ballot:

“Are you in favor of the adoption of Amendment No. 4 as proposed by the Planning Board for the Hanover Zoning Ordinance as follows?”

Amendment No. 4 would:

- A. Amend Table 204.5 GR and Table 204.6 SR by reducing the maximum building footprint allowed to 25% and maximum lot coverage to 50%, except for lots in the GR district greater than 30,000 square feet or lots fronting on West Wheelock Street or South Park Street for which the maximum building footprint will be reduced to 35% and lot coverage to not more than 65%.
- B. Amend Section 209.5 to delete the first paragraph.

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- C. Delete Section 304.
- D. Amend Section 902 definition of Lot Coverage to clarify which portions of a lot and improvements are included in the calculation of lot coverage.

At a public hearing held on February 4, 2014, the Hanover Planning Board voted to recommend that Town Meeting adopt this zoning amendment.

RESULTS: YES 338 NO 108 ARTICLE PASSED

BUSINESS MEETING

Moderator Fowler called the meeting to order at 7:00 p.m. and asked Chairman Peter Christie to lead the audience in The Pledge of Allegiance. Moderator Fowler thanked the audience for attending and participating in Town Meeting. Moderator Fowler reviewed the rules of the meeting with the audience.

Moderator Fowler introduced the Board of Selectmen; Chairman Peter Christie, Vice Chairman Athos Rassias, Selectman Nancy Carter, Selectman Bill Geraghty and noted that Selectman Jay Buckey was absent.

Moderator Fowler introduced Town Manager Julia Griffin and asked her to introduce the Town staff present. Ms. Griffin reported that Selectman Buckey was not able to attend the meeting because he was flying back from San Diego and was unable to make it back in time. Ms. Griffin introduced Mike Ryan, Director of Assessing; David Stewart, Human Resources Director; Peter Kulbacki, Director of Public Works; Mary White, Howe Library Director; Barbara Prince, Etna Library Director; Corey Stevens, IT Director; Hank Tenney, Recreation Director; Frank Moran, Interim Police Chief; and Betsy McClain, Finance Director. Ms. Griffin introduced Fire Chief Martin McMillan who arrived later on at the meeting.

Moderator Fowler introduced the State Legislators in attendance: Patricia Higgins, Sharon Nordgren and Bernie Benn. Moderator Fowler announced the results of the voting by ballot.

Moderator Fowler asked Selectman Carter to present Article Six.

ARTICLE SIX: To choose the following Town Officers to be elected by a majority vote:

Selectman Carter MOVED to Nominate the Following Persons for the Following Offices:

One member of the Advisory Board of Assessors for a term of three (3) years;
Joe Roberto

Three Fence Viewers, each for a term of one (1) year;
Robert Grabill
Matt Marshall

Two Surveyors of Wood and Timber, each for a term of one (1) year;
John Richardson

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Ed Chamberlain

Such other Officers as the Town may judge necessary for managing its affairs.

The Motion was SECONDED from the Floor.

Bill Bashnagel noted that there were supposed to be three fence viewers but only two nominations. Ms. Griffin noted that they only had two candidates.

Robert Grabill Nominated Sarah Packman to serve as an additional Fence Viewer. The Motion was SECONDED from the Floor.

The Motions PASSED and the Nominees were ELECTED.

ARTICLE SEVEN: To receive reports from the Selectmen, Town Clerk, Treasurer, Collector of Taxes and other Town Officers and to vote on any motion relating to these reports and to receive any special resolutions that may be appropriate and to vote thereon.

Selectman Carter MOVED that the reports from the Selectmen, Town Clerk, Treasurer, Collector of Taxes and other Town Officers as printed in the 2013 Town Report be accepted, as well as any Special Resolutions. The Motion was SECONDED from the floor.

Hank Tenney introduced the Chairman of the Parks and Recreation Board Dean Lacey who would present the Parks & Recreation Volunteer of the Year Award.

Mr. Lacey made the following presentation:

“This year’s Hanover Parks & Recreation Volunteer of the Year can be found all over town participating in a variety of programs and activities. You might find him riding a unicycle and juggling in the 4th of July Parade or out dressing Pig and Wolf for another adventure.

Bill Hammond has been a force in the community since he began teaching here 30 years ago. He has always been involved with kids, both in the schools and in the community. Bill taught math, juggling, Russian literature, and drama at Hanover High School. He organized the annual talent show and was an active member of the theater program. He also serves on the Board for the “Winky Bean” theater and arts scholarship. In the community, Bill has served as president of the Lions Club and has been active in the Hanover Improvement Society and Youth In Action. And of course we all remember Bill’s performance as Daniel Webster during the Town’s 250th Commemoration Events. Bill also played a key role in the Pig and Wolf street art project. He advised the planning committees and served as the MC for the Pig and Wolf auction which raised money to build the new playground at Thompson.

Bill’s dedication to the community and his positive attitude are the reasons he has been chosen as this year’s Volunteer of the Year.”

The Motion PASSED and Article Seven was ADOPTED.

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ARTICLE EIGHT: To see if the Town will vote to raise and appropriate \$28,250 for deposit into the Land and Capital Improvements Fund, and to authorize funding of this amount by transfer from the Land Use Change Tax Reserve, with no funds being raised by taxation. The amount appropriated is the equivalent of 50% of the total collected in the Land Use Change Tax Reserve in the fiscal year 2012-2013. Funding deposited into the Land and Capital Improvements Fund derives from 50% of the land use change tax proceeds, paid by property owners when they take land out of current use.

Vice Chairman Rassias MOVED that the Town vote to raise and appropriate \$28,250 for deposit into the Land and Capital Improvements Fund, and to authorize funding of this amount by transfer from the Land Use Change Tax Reserve, with no funds being raised by taxation. The amount appropriated is the equivalent of 50% of the total collected in the Land Use Change Tax Reserve in the fiscal year 2012-2013. Funding deposited into the Land and Capital Improvements Fund derives from 50% of the land use change tax proceeds, paid by property owners when they take land out of current use. The Motion was SECONDED from the floor.

The Motion PASSED and Article Eight was ADOPTED.

ARTICLE NINE: To see if the Town will vote to raise and appropriate \$28,250 for deposit into the Conservation Fund created as authorized by RSA 36-A:5.I, and to authorize funding of this amount by transfer from the Land Use Change Tax Reserve, with no funds being raised by taxation. The amount appropriated is the equivalent of 50% of the total collected in the Land Use Change Tax Reserve in the fiscal year 2012-2013. Funding deposited into the Conservation Fund derives from 50% of the land use change tax proceeds, paid by property owners when they take land out of current use.

Vice Chairman Rassias MOVED that the Town vote to raise and appropriate \$28,250 for deposit into the Conservation Fund created as authorized by RSA 36-A:5.I, and to authorize funding of this amount by transfer from the Land Use Change Tax Reserve, with no funds being raised by taxation. The amount appropriated is the equivalent of 50% of the total collected in the Land Use Change Tax Reserve in the fiscal year 2012-2013. Funding deposited into the Conservation Fund derives from 50% of the land use change tax proceeds, paid by property owners when they take land out of current use. The Motion was SECONDED from the floor.

Vice Chairman Rassias noted that this fund can be utilized to purchase conservation land, conservation easements, or to implement land conservation related activities. The current balance in this fund is roughly \$159,660.

David Vincelette stated that he is a 34 year resident. He stated that the conservation money is being set aside to purchase land that the Conservation Committee doesn't want to protect. Last year he asked Ms. Griffin if riparian property owners were notified that their water rights were being violated by asphalt waste. She said she had not notified them and it's been a year and the residents have still not been notified.

Mr. Vincelette stated that he spoke to the Select Board and the Conservation Commission. He stated that nobody on the Conservation Commission knew that asphalt waste was being used. He raised concerns that the group is actively allowing the pollution of water without any follow-up.

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Moderator Fowler asked Mr. Vincelette to speak to the Warrant Article. Mr. Vincelette continued to discuss his concerns about the use of asphalt waste and the violation of the law regarding its continued use.

Moderator Fowler advised Mr. Vincelette that he was out of order and that if he wished to speak he would need to direct his comments relative to Article Nine.

The Motion PASSED and Article Nine was ADOPTED.

ARTICLE TEN: To see if the Town will vote to raise and appropriate \$33,965 for deposit into the Municipal Transportation Improvement Fund, and to authorize funding of this amount by transfer from the Transportation Improvement Fee Reserve, with no funds being raised by taxation. This amount is equivalent to the total Transportation Fee surcharge for each motor vehicle registered in the Town of Hanover (\$5.00 per vehicle) during fiscal year 2012-2013.

Vice Chairman Rassias MOVED that the Town vote to raise and appropriate \$33,965 for deposit into the Municipal Transportation Improvement Fund, and to authorize funding of this amount by transfer from the Transportation Improvement Fee Reserve, with no funds being raised by taxation. This amount is equivalent to the total Transportation Fee surcharge for each motor vehicle registered in the Town of Hanover (\$5.00 per vehicle) during fiscal year 2012-2013. The motion was SECONDED from the floor.

Vice Chairman Rassias further explained that the appropriation in Article Ten would be used to support local transportation improvement projects.

The Motion PASSED and Article Ten was ADOPTED.

ARTICLE ELEVEN: To see if the Town will vote to raise and appropriate \$1,091,340 and authorize payment into existing capital reserve funds in the following amounts for the purposes for which such funds were established:

Ambulance Equipment Capital Reserve Fund	\$51,000
Bridge Replacement and Renovation Capital Reserve Fund	\$100,500
Building Maintenance and Improvement Capital Reserve Fund	\$110,000
Dispatch Equipment and Dispatch Center Enhancements Capital Reserve Fund	\$45,000
Fire Department Vehicle and Equipment Capital Reserve Fund	\$100,540
Highway Construction and Maintenance Equipment Capital Reserve Fund	\$286,000
Parking Operations Vehicles and Parking Facility Improvements Capital Reserve Fund	\$50,000
Police Vehicles and Equipment Capital Reserve Fund	\$99,000
Road Construction and Improvements Capital Reserve Fund	\$61,500
Sewer Equipment and Facilities Improvements Capital Reserve Fund	\$130,000

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Town Revaluation Capital Reserve Fund	\$1,500
Water Treatment and Distribution Equipment and System Capital Reserve Fund	\$56,300

Selectman Geraghty MOVED that the Town vote to raise and appropriate \$1,091,340 and authorize payment into existing capital reserve funds in the following amounts for the purposes for which such funds were established. The Motion was SECONDED from the Floor.

Selectman Geraghty explained that the money goes into these accounts for anticipated expenses over a 5 to 10 year framework for large ticket items which keeps future budget increases reasonable.

Elsa Garmeyer asked how the Town determines the amount of money to be placed into the capital reserve and asked how much money has been set aside already.

Ms. Griffin stated that they have a very thorough Capital Improvement Program where they map out anticipated expenditures for all forms of equipment over a 10 year period with a built-in inflator. She explained that this allows them to determine future costs and how much they should set aside each year so when the equipment requires replacement they have already saved the money for it.

Betsy McClain reported that if all of the appropriations to the Capital Reserve Fund are accepted, the balance will be \$2,172,314.

Bob Keane asked how they justify a general tax basis for the use of water for those residents who have their own wells and septic systems. Ms. Griffin explained that for capital reserve fund contributions to the water fund and water reclamation funds, the payment to the reserve contribution comes from the revenue generated by the users. She stated that only the people who pay those bills fund those reserves so Etna residents that are not hooked up to water and sewer are not paying for those contributions.

The Motion PASSED and Article Eleven was ADOPTED.

ARTICLE TWELVE: To see if the Town will vote to raise and appropriate \$634,600 for the purposes listed below, and to authorize funding these amounts by withdrawal from the listed capital reserve funds in the following amounts:

Building Maintenance and Improvement Capital Reserve Fund <i>Replacement of Howe Library old building roof</i>	\$106,000
Highway Construction and Maintenance Equipment Capital Reserve Fund <i>Two sidewalk tractors, replace truck 15, replace trailer 70</i>	\$377,000
Parking Vehicles and Facilities Improvements Capital Reserve Fund <i>Expansion joint and capstone replacement in the Parking Garage</i>	\$30,000
Water Treatment and Distribution Equipment and System Capital Reserve Fund <i>Chemical feed pumps, filter module replacement, one-ton utility truck</i>	\$121,600

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This will be a non-lapsing appropriation per RSA 32:7, VI and will not lapse until these specified purchases are complete or June 30, 2019, whichever is sooner.

Selectman Geraghty MOVED that that Town vote to raise and appropriate \$634,600 for the purposes listed below, and to authorize funding these amounts by withdrawal from the listed capital reserve funds in the amounts presented. The motion was SECONDED from the floor.

Ms. Griffin noted one correction; they are replacing truck 70, not trailer 70.

Robert Chambers asked about the contributions toward Water Treatment and questioned whether Dartmouth College actually owns this. Ms. Griffin stated that the Town municipalized the water utility about 5 years ago. The Town and the College jointly own the watershed land but the water utility is owned by the Town.

The Motion PASSED and Article Twelve was ADOPTED.

ARTICLE THIRTEEN: To see if the Town will vote to approve the cost items contained in a one-year extension of the current three year collective bargaining agreement which expires on June 30, 2014, approved by the Board of Selectmen on January 27, 2014, between the Town of Hanover and the American Federation of State and County Municipal Employees (AFSCME), Local 193, which calls only for the following increase in salaries.

<u>Year</u>	<u>Estimated Increase</u>
2014-2015	\$18,171

And further to raise and appropriate the sum of \$18,171 for 2014-2015 fiscal year, such sum representing additional costs attributable to the increase in the salaries and benefits required by the proposed agreement over those that would be paid at current staffing levels in accordance with the most recent collective bargaining agreement.

Selectman Geraghty MOVED that the Town vote to approve the cost items contained in a one-year extension of the current three year collective bargaining agreement which expires on June 30, 2014, approved by the Board of Selectmen on January 27, 2014, between the Town of Hanover and the American Federation of State and County Municipal Employees (AFSCME), Local 193, which calls only for the following increase in salaries.

<u>Year</u>	<u>Estimated Increase</u>
2014-2015	\$18,171

And further to raise and appropriate the sum of \$18,171 for 2014-2015 fiscal year, such sum representing additional costs attributable to the increase in the salaries and benefits required by the proposed agreement over those that would be paid at current staffing levels in accordance with the most recent collective bargaining agreement. The motion was SECONDED from the floor.

Selectman Geraghty stated that for Articles Thirteen, Fourteen and Fifteen, all three bargaining units agreed to extend their current union agreements by one year to allow the police chief and fire chief to

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settle in and discuss longer term issues. Selectman Geraghty thanked the union representatives and members of management for their work toward this effort which benefits both the employees and the Town.

The Motion PASSED and Article Thirteen was ADOPTED.

ARTICLE FOURTEEN: To see if the Town will vote to approve the cost items contained in a one-year extension of the current three year collective bargaining agreement which expires on June 30, 2014, approved by the Board of Selectmen on January 27, 2014, between the Town of Hanover and the New England Police Benevolent Association, Local 27, which calls only for the following increase in salaries.

<u>Year</u>	<u>Estimated Increase</u>
2014-2015	\$13,709

And further to raise and appropriate the sum of \$13,709 for 2014-2015 fiscal year, such sum representing additional costs attributable to the increase in the salaries and benefits required by the proposed agreement over those that would be paid at current staffing levels in accordance with the most recent collective bargaining agreement.

Selectman Geraghty MOVED that the Town vote to approve the cost items contained in a one-year extension of the current three year collective bargaining agreement which expires on June 30, 2014, approved by the Board of Selectmen on January 27, 2014, between the Town of Hanover and the New England Police Benevolent Association, Local 27, which calls only for the following increase in salaries.

<u>Year</u>	<u>Estimated Increase</u>
2014-2015	\$13,709

And further to raise and appropriate the sum of \$13,709 for 2014-2015 fiscal year, such sum representing additional costs attributable to the increase in the salaries and benefits required by the proposed agreement over those that would be paid at current staffing levels in accordance with the most recent collective bargaining agreement. The motion was SECONDED from the floor.

The Motion PASSED and Article Fourteen was ADOPTED.

ARTICLE FIFTEEN: To see if the Town will vote to approve the cost items contained in a one-year extension of the current three year collective bargaining agreement which expires on June 30, 2014, approved by the Board of Selectmen on April 7, 2014, between the Town of Hanover and the International Association of Firefighters, Local 3288, which calls only for the following increase in salaries.

<u>Year</u>	<u>Estimated Increase</u>
2014-2015	\$10,734

And further to raise and appropriate the sum of \$10,734 for 2014-2015 fiscal year, such sum representing additional costs attributable to the increase in the salaries and benefits required by the

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proposed agreement over those that would be paid at current staffing levels in accordance with the most recent collective bargaining agreement.

Selectman Geraghty MOVED that the Town vote to approve the cost items contained in a one-year extension of the current three year collective bargaining agreement which expires on June 30, 2014, approved by the Board of Selectmen on April 7, 2014, between the Town of Hanover and the International Association of Firefighters, Local 3288, which calls only for the following increase in salaries.

<u>Year</u>	<u>Estimated Increase</u>
2014-2015	\$10,734

And further to raise and appropriate the sum of \$10,734 for 2014-2015 fiscal year, such sum representing additional costs attributable to the increase in the salaries and benefits required by the proposed agreement over those that would be paid at current staffing levels in accordance with the most recent collective bargaining agreement.

The Motion was SECONDED from the floor.

Robert Chambers suggested adding additional explanations regarding the percentage amount of the increases. Selectman Geraghty noted that it was included in the green pages of the Town Report and the amount represents a 1% increase.

The Motion PASSED and Article Fifteen was ADOPTED.

ARTICLE SIXTEEN: To see if the Town will vote to raise and appropriate \$22,090,560 to pay the operating expenses of the Town for the 2014-2015 fiscal year, for the purposes set forth in the Town budget. This sum does not include the funds voted in any of the preceding or succeeding articles.

Chairman Christie MOVED that the Town vote to raise and appropriate \$22,090,560 to pay the operating expenses of the Town for the 2014-2015 fiscal year, for the purposes set forth in the Town budget. This sum does not include the funds voted in any of the preceding or succeeding articles. The motion was SECONDED from the floor.

Chairman Christie made the following budget presentation:

“Perhaps the most important responsibility of the Select Board is to bring to Town Meeting a proposed budget that it believes will deliver the quality and quantity of town services desired by the town without breaking the bank.

For many years the Select Board has utilized a set of informal budget guidelines that has guided our budget decisions. During this past year we set those guidelines into a policy document that was adopted by the Board after several public meetings and discussion with the Hanover Finance Committee.

I would like to briefly go over these with you and discuss the role that the guidelines played in preparing this year’s budget.

The budget guidelines in summary are:

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1. Target the tax rate increase to the CPI.
2. Appreciate town staff as professionals and valued partners
3. Before funding new initiatives adequately fund existing services
4. Adequately fund long term obligations
5. Do not use operating reserves to manage the tax rate
6. Have a long term perspective
7. Recognize that carefully selected new initiatives can provide great value to the town and
8. Pass through State Downshifting

These all pretty much sound like mother hood and apple pie until one realizes that it is almost never possible to meet all of the guidelines in any given year and that the final budget represents a compromise and priority setting between competing objectives.

With that as background, this year's budget process pretty much fell into two phases.

At the outset, the Board asked Julia to develop a budget with an increase in the tax rate of just under 1% in conformity with guideline number one.

Julia and her staff did an exceptional job in doing just that, making many tough choices along the way.

Some of the major factors on the revenue side impacting this first phase were:

- An expected increase in the Grand List of \$17 million which generates an additional \$75,000 of tax revenue
- A reduction of interest income of \$15,000
- An increase in rooms and meals tax revenue of \$40,000
- A reduction in Building Permit Fees of \$130,000
- The use of \$120,000 in Undesignated Fund Balance as promised from last year's budget development process

On the expense side:

- An overall 2.5% increase in General Fund salaries and benefits costing \$217,000
- Elimination of a part time position in Administrative Services saving \$23,000
- Elimination of a full time parking clerk saving \$30,000
- A renegotiation of the Towns internet connectivity contract saving \$6,000
- Funding a plan developed by the Hanover Conservation Commission to improve trail access and parking that serves the South Esker Conservation area costing \$5,000

I have only mentioned a few of the many moving parts that go into the budget. Some help, some do not – but all are in play as a budget is developed. The town report goes into much more detail on these and many more items.

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With that work done in line with guideline one, phase two kicked in when the Board recognized that the draft budget did not fully fund several ongoing programs (thus violating guideline three) nor did it adequately fund capital reserves (thus violating guideline four). No new significant initiatives were proposed and we had a year off from state downshifting thus guidelines seven and eight did not come into play.

This is when the “art” of budgeting starts. After much debate about what would be an acceptable tax rate increase, the Board decided to increase the General Fund and Fire Fund tax levy by \$185,000 to address important needs. The additional funds were used to:

1. Increase the contribution to capital reserves by \$155,000, half of the incremental amount needed to come to full funding
2. Provide additional funding for paving by \$11,500 which allows us to take step two in a three year process to get us to full funding of that program
3. Fully fund Hanover’s existing sustainability program by adding back \$16,500. This will allow several energy saving projects to be completed, all with short term pay back periods.
4. Include funding for the Mascoma Valley Health Initiative in conformity with a floor vote at last year’s town meeting at a cost of \$2,500.

Since the largest portion of the additional money is going towards capital reserves, let me speak to that briefly.

During the past year Peter Kulbacki and others did a yeoman’s task in furthering our Capital Improvement Plan. We now have a data base that lists every town asset, their useful lives, and how much it will cost to replace them year by year. For the last several years, due to budget constraints, we have not been able to fully fund this liability. This year we had a chance to reverse that trend and still maintain a respectable 2.5% change in the general fund tax rate and a 2.3% change in the blended tax rate which includes the fire districts. We are not fully to where we need to be, but this would be a substantial step in the right direction.

Those additions \$155,000 for capital reserves, 11,500 for paving, 16,500 for sustainability, and \$2,500 for the Mascoma Health Initiative brought us to the final budget which we bring to you tonight and in our judgment represent the best resolution between all the competing factors on our plate this year. Adopting this budget would add 14 cents to the Blended Tax Rate representing \$ 70.00 in additional municipal taxes on a \$500,000 home.

I want to briefly comment on other important activities that hopefully will positively impact future budgets. Julia, with the support of the Select Board, has for many years attended bi-monthly meetings hosted by Vital Communities. The meetings are attended by the Town Managers and a Select Board representative from Hanover, Norwich, Lebanon and Hartford. We have been exploring the possibility of providing some services on a regional basis, rather than town by town. The “town by town “ model is somewhat unique to New England and in many other parts of the country fire, water, waste water treatment, and other services are provided on a county scale encompassing much larger areas and populations than the entire Upper Valley.

A regionalization model would take at least two forms:

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One form would be a “center of excellence” model in which one of the towns would take the lead in providing a service that it makes available on a cost sharing basis to the other towns. A good example of this is the dispatch service that Hanover currently operates servicing 20 towns, and the ambulance service provided by Hanover servicing Lyme and Norwich as well.

The other model is for towns to join together under a new governance structure to provide a specific service or set of services for all the towns. In fire and emergency services, for example, there is already a high level of cooperation via “mutual aid” where the towns back each other up and often contribute unique equipment in an emergency. This is a good starting point as we look at other ways we can provide better services on a regional basis at a lower overall cost.

Areas under consideration include dispatch, emergency services, house hold hazardous waste disposal, to mention a few. I am hoping that there will be additional progress in some of these areas in the coming year.

So, in wrapping up, I believe that this is a solid budget that addresses the town’s immediate and longer term needs in a responsible way, and that there are creative activities under way that will allow us to continue to deliver more and better services at a lower cost.

As always, the Select Board thanks Julia, Betsy, and the department heads who work diligently, creatively, and with great pride, as is evidenced each year in their budget presentations.

We also thank the many volunteers who serve on boards, committees, task forces that make an essential contribution to Hanover being the special town that it is.”

Moderator Fowler asked for further discussion on Article Sixteen.

Heidi Postupack, Chair of the Hanover Finance Committee, stated that last fall as the budgets were being prepared and the Board of Selectmen were developing guidelines, the Finance Committee did some research of their own. In their work as the Finance Committee, they looked at a number of towns in New Hampshire that are similar to Hanover and the last number of years of the Hanover budgets. For the past 3 years, the Finance Committee presented some guidelines to the Select Board that they would like for the Board to adopt. 1) Use the tax levy rather than the tax rate when expressing increases to the budget. The tax rate is what the taxpayers are going to pay. The tax levy expresses what the town raises each year and is a true indication of what the increases are. She stated that this would be a true number when they are comparing the rate of increase when using a metric like the CPI.

Ms. Postupack stated that the Select Board would try to adopt a budget close to CPI and this year at the time that the budget was prepared the CPI rate was 0.8%. 2) The Finance Committee suggested using a 3 year rolling average of the CPI; 3) share the State downshifting with the taxpayers. This year was not a factor because there was no downshifting.

Ms. Postupack stated that the majority of the Hanover Finance Committee voted not to support the budget because the tax levy increased by 5.4% in the past 10 years when the CPI only increased an average of 2.6%. She stated that they are raising more money than the CPI which is not an issue in a year when the property values go up or there are big building projects in town. The worrisome years are when the property values go down and they get accustomed to a 5% tax increase each year. Ms.

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Postupack stated that the Town has been fortunate that they have not experienced this yet but the Finance Committee is looking forward and these are the recommendations to the Select Board.

John Ruth, Hanover Finance Committee member, stated that the guidance of the Finance Committee was that the 3 year average tax increases should match the CPI over the 3 year period. He stated that the difference between the tax levy and the tax rate is that the tax rate includes the change in the Grand List. If property values go up, the actual amount of the check that the residents write will go up. This is why they focus on the tax levy. Mr. Ruth stated that if the budget is passed, this town tax levy will increase by 3.2% (inflation is 0.8%); this tax increase is 2.4% above inflation. He stated that over the past 10 years the tax levy has increased by 2.4% each year. The Hanover Finance Committee believes that continued tax levies over inflation are not sustainable in the long run.

Mr. Ruth MOVED to Amend the Motion to Limit the Tax Levy Increase Inclusive of the Warrant Articles Passed Tonight to Match the Rate of Inflation by 0.8%. The Motion was SECONDED by the Floor.

Chairman Christie responded to the proposed amendment:

“First let me say that while the Select Board does not agree with the finance committee’s recommendations, we do appreciate their input. It makes us think even more thoroughly about our options.

Let me respond to their concerns on two levels, one that I call the “budget geek – (of which I consider myself one) level”, and the other on the pragmatic level.

On the geek level, one of the fundamental differences between the Select Board’s approach and the Finance committees recommended approach is that the finance committee recommends that changes in the grand list not be taken into consideration in the budget process. The reason they give for not considering it is that “there is little connection between changing property values and the need for town services”. While this is true, there are numerous moving pieces that impact our budget, many of which have little or no connection with the need for town services - for example interest income from our invested cash, changing revenue from the state rooms and meals tax, and changes in our fees, to mention a few, but I don’t think that anyone would suggest that these not be taken into account. Indeed, all of the variables need to be taken into account and the Select Board does not see the logic in singling out one variable, namely the change in the grand list, to not be considered.

One of the fundamental claims made by the finance committee is that our rate of increased spending over the past ten years is not sustainable and they point to the increase of 5.4% in the tax levy over that time period to support their argument. If your tax bill had gone up by 5.4% per year I would agree with the committee, but the municipal portion of your tax bill has gone up by just 4.2% per year. The average increase over the past ten years on a home currently valued at \$500,000 and in Fire District 1 has been \$87.00 per year. That includes all the state downshifting and other emergency funding, and while it is a bit higher than the CPI, it is not unsustainable.

I could go on with my geek argument, but the important point that I am trying to make is that the Select Board did consider the finance committee’s recommendations and that there are sound reasons why we have opted for a different path.

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More importantly, on the pragmatic side, the question is quite simple. Do you agree or disagree with the Select Board's decision to raise an additional \$185,000 in taxes over a bare bones budget with the money to be used for capital reserves, paving, and energy conservation? The \$185,000 equates to an additional \$45.00 in taxes for a \$500,000 home.

So the question is pretty straight forward. If you *agree* that we should not kick the can down the road and *support* the additional proposed spending then hopefully you will support the budget as proposed."

Moderator Fowler re-stated that the amendment is to limit the tax levy inclusive of the warrant articles that have been passed tonight and to manage the inflation rate at 0.8% resulting in the change of \$185,000. This would change the amount to \$21,905,442 rather than \$22,090,560. Chairman Christie clarified that Betsy McClain, Finance Director, provided this revised figure.

Bill Fischel stated that he is an Economics Professor and noted that the CPI is constructed to measure changes in prices alone and not changes in quantity. The expenditure such as the tax levy includes both prices and quantities. He noted that if residents want to have more quantity of services, even if the prices don't change, the levy will go up. Mr. Fischel stated that he felt that the Finance Committee is tying them to an index which does not reflect the growing needs and demands of Hanover's citizens. Mr. Fischel stated that this would really limit the Town's ability to provide the services that the residents pay their public officials to provide.

Iain Sim stated that Chairman Christie noted that the Grand List had increased by \$17 million. Mr. Sim wanted to clarify with Chairman Christie that in a year when there has not been a revaluation of the properties in town, the increase in the Grand List has to do with new construction or new improvements to properties which reflects no change to the rest of the Town properties. Chairman Christie confirmed that this was correct; the Grand List has nothing to do with the revaluation. Chairman Christie noted that the increases were very modest this year.

Moderator Fowler asked for action on the Amendment to the Warrant Article.

The Majority OPPOSED the Amendment. The Amendment was DEFEATED.

Moderator Fowler asked for action the Motion for Article Sixteen.

The Motion Passed and Article Sixteen was ADOPTED.

ARTICLE SEVENTEEN: To see if the Town will vote to amend the Mt. Tug Conservation Easement (map 3, lot 90, 10 Moody Lane) by: a) modifying the easement area to remove .44 acre from the existing easement area and adding .66 acre to the easement area; and, b) accepting a new conservation easement clarifying the purposes, permitted and prohibited uses in the easement area and the boundary delineation.

Chairman Christie MOVED that the Town vote to amend the Mt. Tug Conservation Easement (map 3, lot 90, 10 Moody Lane) by: a) modifying the easement area to remove .44 acre from the existing easement area and adding .66 acre to the easement area; and, b) accepting a new conservation easement clarifying the purposes, permitted and prohibited uses in the easement area and the boundary delineation. The Motion was SECONDED from the floor.

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Chairman Christie made the following statement relative to Article Seventeen:

“I would like to use this article to show case the fine work done by the Hanover Conservation Commission and town staff.

The easement at 10 Moody Lane at the summit of Mt Tug dates back to 1983. Through a series of events the town and land owner came to realize that some structures were potentially within the easement area leading to a complicated and potentially messy situation.

But thanks to the creativity and “can do” problem solving attitude of everyone involved, and after many iterations, a very simple and elegant solution was found whereby 0.44 acres are removed from the current easement area and 0.66 acres which abut other conserved land are added to the easement. In addition, a new easement document will be executed containing all of the up to date terms and conditions found in our current easements.

So, a win-win all around and I hope you will support this article.”

Judith Reeve stated that she serves on the Open Space Committee and reported that so many worked hard to make this a win-win situation and she hoped everyone would support it.

The Motion Passed and Article Seventeen was ADOPTED.

ARTICLE EIGHTEEN: To see if the Town will vote to authorize the Board of Selectmen to accept the donation of Nathan’s Garden (map 22, lot 3, 3 Downing Road) by Barbara Hall for use as a Town park and further authorize the Board of Selectmen to negotiate appropriate terms and conditions prior to receipt of the donation.

Vice Chairman Rassias MOVED that the Town vote to authorize the Board of Selectmen to accept the donation of Nathan’s Garden (map 22, lot 3, 3 Downing Road) by Barbara Hall for use as a Town park and further authorize the Board of Selectmen to negotiate appropriate terms and conditions prior to receipt of the donation. The Motion was SECONDED from the floor.

Vice Chairman Rassias stated that Nathan’s Garden is an oasis in the middle of our bustling community; it’s astonishing variety of features are present such as handmade chairs, tables, a swing, tree stumps made into chairs, and daffodils as well as a gazebo where one can take it all in. It’s a garden filled with little wonders, the perfect place to sit and admire what nature has to offer. The garden was created to commemorate the life of the son of the donor and it’s been part of our community for several decades. It is the wish of Mrs. Hall to donate the garden to the Town and to preserve its current characteristics. A fund will be created by Mrs. Hall to generate a sum of money to cover the annual maintenance costs once the Town begins to care for the garden. This article authorizes the Board of Selectmen to accept the donation and to authorize the Board of Selectmen to negotiate on the Town’s behalf. Vice Chairman Rassias stated that it’s truly a once in a lifetime opportunity.

Elsa Garmeyer stated that she discovered the hidden gem one day when she was stressed and in need of a walk. She stated that this is an amazing place and feels that this is wonderful. She would like to get a vote of appreciation for Mrs. Hall. *(The audience gave a round of applause to Mrs. Hall).*

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The Motion Passed and Article Eighteen was ADOPTED.

ARTICLE NINETEEN: (By Petition) To see if the Town will vote to urge:

First, that the New Hampshire State Legislature join nearly 500 municipalities and 16 other states, including all other New England states, in calling upon Congress to move forward a constitutional amendment that: (1) guarantees the right of our elected representatives and of the American people to safeguard fair elections through authority to regulate political spending; and (2) clarifies that constitutional rights were established for natural persons only, not corporations, unions, or other artificial entities. Second, that the New Hampshire congressional delegation supports such a constitutional amendment. Third, that the New Hampshire State Legislature supports such an amendment once it is approved by Congress and sent to the states for ratification. Fourth, that within 30 days of approval of this article, the Selectmen shall transmit by written notice the record of the vote to Hanover's congressional delegation, to Hanover state legislators, and to the President of the United States, informing them of the instructions from their constituents.

Selectman Carter reported that Warrant Article Nineteen was placed on the Warrant by Petition.

Selectman Carter MOVED that the Town vote First, that the New Hampshire State Legislature join nearly 500 municipalities and 16 other states, including all other New England states, in calling upon Congress to move forward a constitutional amendment that: (1) guarantees the right of our elected representatives and of the American people to safeguard fair elections through authority to regulate political spending; and (2) clarifies that constitutional rights were established for natural persons only, not corporations, unions, or other artificial entities. Second, that the New Hampshire congressional delegation supports such a constitutional amendment. Third, that the New Hampshire State Legislature supports such an amendment once it is approved by Congress and sent to the states for ratification. Fourth, that within 30 days of approval of this article, the Selectmen shall transmit by written notice the record of the vote to Hanover's congressional delegation, to Hanover state legislators, and to the President of the United States, informing them of the instructions from their constituents. The motion was SECONDED from the floor.

Len Cadwallader stated that he is proud of the fact that the Town has the highest percentage of registered voters who actually vote. He is distressed when he looks at the statewide and nationwide statistics that indicate that a very small number of citizens of majority age are registered to vote and an even smaller percentage of registered voters actually vote.

Mr. Cadwallader stated that he's particularly distressed because he lived in Central America where people risk their lives to vote; democracy is that important. He noted that he visited two totalitarian countries where the act of voting is a farce. Citizens of the United States have a chance to say who they want to govern them every few years and sadly and all too often they abrogate that entitlement. He stated that there are many excuses that are given; 'I'm too busy, my child was sick, I forgot' but there is one cause of voter apathy that they can do something about. He stated that many people tell him that they no longer vote because their vote is insignificant. The amount of big money pouring into political campaigns make it impossible for plausible candidates to compete, who are willing to stand up for issues that matter to them; for example, adequate funding for public education, clean air or a more rational energy policy.

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Mr. Cadwallader stated that big money comes from wealthy individuals, corporations, and interest groups. The Supreme Court has made two decisions that give them, and the pacts they create, disproportionate power and an unintended consequence has been a drop in participation at ballot boxes. Mr. Cadwallader stated that they can change this by getting an amendment passed to the U.S. Constitution that would limit campaign spending and would make it clear that corporations are not people with constitutional rights. Your vote tonight is only advisory but no less important. It instructs the representatives in Washington and Concord to support an amendment that would re-establish the authority of Congress and State Legislators to regulate political spending and make it clear that the rights enumerated in our Constitution are intended for real people, not corporations. Mr. Cadwallader reported that over 90 Hanover voters signed the petition to get Article Nineteen on the warrant. He stated that he is asking the Town to join the other 48 NH towns that passed a similar resolution last March. He stated that collectively their voices will be heard.

Robin Carpenter stated that at almost every Town Meeting there is a petitioned Warrant Article that asks the voters of Hanover to send a message to Washington on behalf of the Town. He stated that there are thousands of registered voters in the Town and if a majority, either large or small, decide to send a message to Washington, they are really pre-empting the voices of thousands of Hanover's registered voters who have every opportunity to write letters to the editor, to contact their Town, have rallies on the Dartmouth Green; there's no shortage of avenues of media to make their wishes known. This kind of motion, in his opinion, is an attempt to co-opt the voices of the Town of Hanover for one specific issue. He stated that he feels that this is an improper intention in the petition. He stated that secondly, he would say that this proposition is undeveloped. He stated that if somebody does have a specific constitutional amendment to set forth and try to gain town approval, they should hear what that amendment would be. He stated that residents cannot reasonably be expected to approve an amendment for which they have not heard the wording.

Mr. Carpenter stated that this article is poorly constructed. He stated that the thoughts blend together and the first sentence runs on for 72 words. He stated that this is badly constructed, ill conceived and coercive to the populous of the Town. Mr. Carpenter stated that there are aspects of the proposition that he is strongly in concurrence with. He stated that there are Supreme Court decisions that he disagrees with. He feels that it's not a matter of whether they agree with treating corporations as persons but this is not the way to accomplish this, by co-opting the voices of the taxpayers in Hanover.

Sandra Hoh stated that she is disturbed about Mr. Carpenter's argument because if 30% of the people vote for President, that doesn't represent all voters. She stated that this was a meeting that every Hanover voter had an opportunity to attend and it is not a closed secret meeting. She felt that this was a very unfair and inaccurate argument. As a former elected official she stated that this action does have an impact. She urged voters to support this Article.

Bob Strauss stated that he's known Mr. Cadwallader for over 20 years and he certainly agrees with the thought behind the petition. He stated that there has to be a point where they move against money and politics. He stated that they can become one of many communities and maybe get a tidal wave moving and get the money out of politics and get the people back into it.

The Motion Passed and Article Nineteen was ADOPTED.

ARTICLE TWENTY: To transact any other business that may legally be brought before this Town Meeting.

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Selectman Carter MOVED that the Town transact any other business that may legally be brought before this Town Meeting. The Motion was SECONDED from the Floor.

Robert Chambers stated that he is Chairman and Co-Founder of Project Vet Care which is a non-profit organization established in Hanover two years ago with the mission to help veterans. They offer assistance with applications for veterans benefits, provide an emergency food bank, assist veterans who face foreclosure or eviction, and organize events to help wounded soldiers enjoy time with other veterans that have similar situations. In 2012, Project Vet Care started a program in which high school students in the area meet veterans in a seminar setting to discuss their military service and experience. Many Dartmouth veterans, faculty, students and staff have participated in making this program a tremendous success. Project Vet Care received exciting news and started a capital campaign to fund a house for Dartmouth veterans.

Mr. Chambers reported that a generous veteran family contributed \$375,000 toward the purchase of a house in Hanover. This donation is contingent upon Project Vet Care raising an additional \$75,000 to be able to pay for the house in cash so that there would not be any debt. Mr. Chambers reported that so far they have raised \$417,000 and need an additional \$37,000 to complete the transaction. Mr. Chambers stated that this house would be available for Dartmouth student veterans to meet and live in which will help them be more comfortable in the Dartmouth community. The rent will provide Project Vet Care with a steady stream of income and allow for long term sustainability.

Robert Chambers MOVED that the Town of Hanover contribute \$20,000 to Project Vet Care's capital campaign.

Moderator Fowler stated that the posted rules of the meeting clearly stated that substantive motions cannot be entertained under this Article. He noted that he can be overruled by Town Meeting.

Robert Chambers MOVED to have the rules overruled by the Town Meeting to allow further discussion. The Motion was SECONDED from the Floor.

Moderator Fowler clarified that the Motion on the floor is to have the Rules overturned and the motion to fund the \$20,000 for Project Vet Care be accepted as a proper motion before the Town.

Robert Chambers noted that the proposal developed very quickly; they came before the Select Board the day before the Articles were due to be included on the Town Warrant. He believes Project Vet Care provides an important service to the community and the entire Upper Valley and would like Town Meeting to consider the motion on its merits.

Bill Bashnagel stated that he personally believes that Project Vet Care is a great thing. He is a veteran and he is involved in veteran activities at Dartmouth to a certain extent. He feels that this is not the kind of thing that belongs at Town Meeting and certainly not at this time. This proposal needs to be brought to the Select Board so that it can be looked at in some particular detail. He stated that although he hasn't talked to the current undergraduate veterans, he has been involved in communications with them and there have been concerns on their part as to whether this would meet their particular needs on campus in terms of how many people could stay there because there are zoning issues, etc. Mr. Baschnagel stated that with appropriate examination, he would like to have the Select Board make a

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decision as to whether to move forward on this. He felt that Town Meeting does not know enough about the details and he urged voters not to consider this as a proper motion at this time.

Robin Carpenter stated that he had no previous knowledge of this and other voters may have chosen to come if they had known about it. He felt that this was way out of line. He stated that the final Article in the Warrant is for non-substantive matters and generally is used for congratulatory content. He felt that to add this expenditure in the final motion is way out of line. Mr. Carpenter stated that he's not against the project but to bring it up at the end of the meeting is not appropriate.

Dave Cioffi stated that he is not against veterans and he reported that he volunteers every week at the VA. He noted that the Town has shown their support for Veterans and in the past couple of years the Town made a change which provided a substantial benefit to them. He felt that this was not appropriate and will open Pandora's Box for others to come to Town Meeting to support their individual causes.

Danielle Goodwin stated that she is a Hanover resident and the wife of a catastrophically injured Afghanistan veteran. She is the Executive Director and Co-Founder of Project Vet Care and reported that Dartmouth did conduct a survey of the veterans groups that will be affected by this house.

Moderator Fowler clarified that the motion on the floor was to overrule the Moderator's rules and asked that Ms. Goodwin direct her comments toward the motion being discussed.

Robert Chambers asked to modify the motion to allow discussion to carry on in a non-binding vote so that they could then provide some advisory information to the Select Board. He wanted to make it clear that Project Vet Care will lose \$417,000 which would help provide a sustainable source of income. The closing date is set for June 2nd.

Moderator Fowler noted that he will be unable to modify the motion until Town Meeting voted whether they will allow for the rules to be overruled for this Article. A yes vote would overrule the Moderator's rule and a no vote would sustain the motion.

The Motion was defeated. (*Town Meeting voted not to overrule the Moderator's rules*).

Robert Chambers MOVED to make a non-binding vote for the Town to raise \$20,000 toward Project Vet Care's Capital Campaign which would be advisory to the Select Board. Moderator Fowler stated that this would likely be out of order but the Town could hear other support for this. Robert Chambers withdrew the motion.

Bob Russell stated that he has lived in Hanover for many, many years. He asked Ms. Griffin as Town Manager whether she had any comments about the state of the Town and she wondered if she had any comments about the residents' general behavior.

Ms. Griffin reported that this is her 18th year as Town Manager for Hanover. She noted that the average life span of a Town Manager is 4.2 years. She stated that this is reflective of a wonderful community to work for with amazing support with a bipartisan Board of Selectmen to make good decisions on behalf of the community with tremendous support from the community. She stated that in spite of the downturn in the economy and challenges with State downshifting they are doing pretty well.

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Moderator asked for any other comments about the Project Vet Care proposal.

Danielle Goodwin stated that Project Vet Care has helped 1,113 veterans in the Upper Valley since 2012. She stated that they have been blessed with Dartmouth interns, volunteers and community support. She stated that this gift landed in their lap so although their execution has not been great, their intention is there. She wanted to thank the Town for their support and will continue to help veterans every step of the way.

Elsa Garmeyer MOVED to vote in support for the Town of Hanover and the non-profits within it are doing for their veterans. The Motion was SECONDED from the Floor. The Motion PASSED.

Elsa Garmeyer asked that the Town of Hanover voters send out a special thanks to Willy Black for all that she has done over the years. (*The audience applauded and recognized Willy Black.*)

David Vincelette stated that he wanted to remind everyone that veterans are giving their lives right now so that others can live where they are supposed to be protected by the Constitution of the United States which allows them to have life, liberty and property; those rights are given by God and are not to be taken by the government, even if they want to poison your water. He stated that he is a 22 year veteran.

Town Meeting was adjourned at 9:06 p.m.

Respectfully Submitted,

Elizabeth A. McClain
Town Clerk

Minutes prepared by Elizabeth S. Rathburn.