

FINAL

**2016 TOWN MEETING
TOWN OF HANOVER
TUESDAY, MAY 10, 2016
HANOVER HIGH SCHOOL AUDITORIUM**

The annual Town Meeting of Hanover, New Hampshire convened on May 12, 2015 at 7 a.m. by Town Moderator, Stephens Fowler, at the Hanover High Auditorium. 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 Meeting and all other articles requiring vote by official ballot as set forth in Articles One through Fourteen of Town Meeting Warrant.

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

One Select Board Member to serve for a term of three (3) years;

Athos J. Rassias	619
Brian Chen	43

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

Alexandra H. Corwin	212
Abigail M. Fellows	169
Sharry Baker	89

One Moderator to serve for a term of two (2) years;

Stephens M. Fowler	678
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One Supervisors of the Checklist to serve for a term of six (6) years;

Linda Giles McWilliams	674
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One Town Clerk to serve for a term of three (3) years;

Elizabeth (Betsy) McClain	727
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One Trustee of Trust Funds to serve for a term of three (3) years.

Sally Boyle	686
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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 fully re-number and re-organize the zoning ordinance for the purpose of presenting to Town meeting an Ordinance in which material on a single subject is gathered to one section; scattering is corrected; materials are organized logically, with readable everyday language; and errors are corrected. Ambiguity is resolved in favor of established, accepted practice. Substantive changes occurring, as a result of the re-organization, are presented as

zoning amendments 2 through 6 (articles 3-7). If these are not adopted by Town Meeting, the re-organized Ordinance will be changed to reflect the voter’s actions on these amendments. Similarly, the content of amendments 7 through 13 (articles 8-14) will be added or subtracted from the re-organized Ordinance depending upon the outcome of the votes at Town Meeting.

At a public hearing held on March 15, 2016, the Hanover Planning Board voted to recommend that Town Meeting **adopt** this zoning amendment.

RESULTS: YES 829 NO 40 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 replace the word “inclusionary” with the word “affordable” in the titles of Section 212 in the Table of Contents and the text of the Ordinance, create a separate definition for “density bonus” using the words existing in the definition of “inclusionary housing” and replace the definition of “Inclusionary Housing” with a new definition for “Affordable Housing”.

At a public hearing held on March 1, 2016, the Hanover Planning Board voted to recommend that Town Meeting **adopt** this zoning amendment.

RESULTS: YES 795 NO 72 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, provided that Amendment No. 1 is approved for adoption by Town Meeting, modify Section 902, definition of “lot” to read: a parcel of land with defined boundaries and of sufficient size to meet the minimum zoning requirements for use, coverage and area.

At a public hearing held on March 1, 2016, the Hanover Planning Board voted to recommend that Town Meeting **adopt** this zoning amendment.

RESULTS: YES 801 NO 55 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 eliminate Appendix A and references to it in the Table of Contents and in Section 209.4 E; eliminate from Section 902 the definitions of “available land area” and “related land area”; and amend the definition of “Open Space Ratio” to read: *The ratio of the total available land area to the building footprint.*

At a public hearing held on March 1, 2016, the Hanover Planning Board voted to recommend that Town Meeting **adopt** this zoning amendment.

RESULTS: YES 799 NO 52 ARTICLE PASSED

ARTICLE SIX (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. 5:

The following question is on the official ballot:

“Are you in favor of the adoption of Amendment No. 5 as proposed by the Planning Board for the Hanover Zoning Ordinance as follows?”

Amendment No. 5 would amend Section 323, Noise Standards, by adding “GP” to Use District A.

At a public hearing held on March 1, 2016, the Hanover Planning Board voted to recommend that Town Meeting **adopt** this zoning amendment.

RESULTS: YES 775 NO 80 ARTICLE PASSED

ARTICLE SEVEN (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. 6

The following question is on the official ballot:

“Are you in favor of the adoption of Amendment No. 6 as proposed by the Planning Board for the Hanover Zoning Ordinance as follows?”

Amendment No. 6 would amend Accessory Uses, Section 210.4 by adding “GP” to the list of districts in the first sentence.

At a public hearing held on March 1, 2016, the Hanover Planning Board voted to recommend that Town Meeting **adopt** this zoning amendment.

RESULTS: YES 784 NO 69 ARTICLE PASSED

ARTICLE EIGHT (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. 7

The following question is on the official ballot:

“Are you in favor of the adoption of Amendment No. 7 as proposed by the Planning Board for the Hanover Zoning Ordinance as follows?”

Amendment No. 7 would in Section 902, replace the definition of “outdoor recreation” with a new definition and makes clear that buildings and structures associated with outdoor recreation are allowed special exceptions by adding “Structure Associated with Outdoor Recreation” to the lists of Special Exceptions in tables 204.3, 204.4, 204.7 and 204.8.

At a public hearing held on March 1, 2016, the Hanover Planning Board voted to recommend that Town Meeting **adopt** this zoning amendment.

RESULTS: YES 766 NO 102 ARTICLE PASSED

ARTICLE NINE (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. 8:

The following question is on the official ballot:

“Are you in favor of the adoption of Amendment No. 8 as proposed by the Planning Board for the Hanover Zoning Ordinance as follows?”

Amendment No. 8 would amend Section 317, Signs, and Section 330, Athletic Scoreboards, to eliminate content type references to conform to the U.S. Supreme Court decision, Reed v. Town of Gilbert, and in Section 317.2, add “GP” to the list of districts.

At a public hearing held on March 15, 2016, the Hanover Planning Board voted to recommend that Town Meeting **adopt** this zoning amendment.

RESULTS: YES 791 NO 53 ARTICLE PASSED

ARTICLE TEN (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. 9:

The following question is on the official ballot:

“Are you in favor of the adoption of Amendment No. 9 as proposed by the Planning Board for the Hanover Zoning Ordinance as follows?”

Amendment No. 9 would amend Table 204.4 to modify building setbacks in the “I” zoning district adjoining GR-2 residential lots abutting NH Route 10A reducing the rear setback from 75 to 20 feet and reducing the side setback from 75 feet to 10 feet; and amend Table 204.4 to allow the maximum building height to be 60 feet in the “I” zoning district within 150 feet of a “GR-2” residential district abutting NH Route 10A.

At a public hearing held on March 1, 2016, the Hanover Planning Board voted to recommend that Town Meeting **adopt** this zoning amendment.

RESULTS: YES 601 NO 272 ARTICLE PASSED

ARTICLE ELEVEN (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. 10:

The following question is on the official ballot:

“Are you in favor of the adoption of Amendment No. 10 as proposed by the Planning Board for the Hanover Zoning Ordinance as follows?”

Amendment No. 10 would ensure that parcels of land in the “F”, “NP”, or “RR” zoning district designated for specific low density uses are not subsumed into other lots with different, and maybe more intense use that may result, either intentionally or by accident or by oversight, in the degradation or elimination of the value of the subsumed land.

At a public hearing held on March 1, 2016, the Hanover Planning Board voted to recommend that Town Meeting **adopt** this zoning amendment.

RESULTS: YES 751 NO 102 ARTICLE PASSED

ARTICLE TWELVE (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. 11

The following question is on the official ballot:

“Are you in favor of the adoption of Amendment No. 11 as proposed by the Planning Board for the Hanover Zoning Ordinance as follows?”

Amendment No. 11 would add a new Section 331, Development in and Near Cemeteries which will allow construction, excavation or building within a known burial site or cemetery under certain circumstances.

At a public hearing held on March 1, 2016, the Hanover Planning Board voted to recommend that Town Meeting **adopt** this zoning amendment.

RESULTS: YES 636 NO 217 ARTICLE PASSED

ARTICLE THIRTEEN (submitted by petition) (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. 12:

The following question is on the official ballot:

“Are you in favor of the adoption of Amendment No. 12 as proposed by the Planning Board for the Hanover Zoning Ordinance as follows?”

Amendment No. 12 would add to Section 209.4, Height Regulations and Exceptions, a different method for calculating height in the “GR” and “SR” zoning districts.

At a public hearing held on March 1, 2016, the Hanover Planning Board voted to recommend that Town Meeting **not adopt** this zoning amendment.

RESULTS: YES 388 NO 461 ARTICLE FAILED

ARTICLE FOURTEEN (submitted by petition) (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. 13:

The following question is on the official ballot:

“Are you in favor of the adoption of Amendment No. 13 as proposed by the Planning Board for the Hanover Zoning Ordinance as follows?”

Amendment No. 13 would modify Section 802, Change and Expansion of Non-Conforming Use, to increase the limit of allowed expansion of structures associated with non-conforming uses from 20% to 65%.

At a public hearing held on March 1, 2016, the Hanover Planning Board voted to recommend that Town Meeting **not adopt** this zoning amendment.

RESULTS: YES 296 NO 583 ARTICLE FAILED

BUSINESS MEETING

Moderator Fowler called the meeting to order at 7:04 p.m. and asked Select Board Member Carter to lead the audience in the Pledge of Allegiance.

Mr. Fowler noted that several elected State officials were present at Town Meeting, including Patricia Higgins, Martha Hennessy, and Sharon Nordgren.

Mr. Fowler reviewed the rules of the meeting with the audience and stated that cookies and refreshments would be available at the end of the meeting.

Mr. Fowler introduced the Select Board Members to the audience: Peter Christie, Select Board Chair; Athos Rassias, Select Board Vice Chair; Bill Geraghty, Select Board Member; Nancy Carter, Select Board Member; and Joanna Whitcomb, Select Board Member. He also introduced Town Manager Julia Griffin, who introduced her staff to the audience: Charlie Dennis, Police Chief; Marty McMillan, Fire Chief; Dave Stewart, Human Resources Director; Corey Stevens, IT Director; Mary White, Howe Library Director; John Sherman, Parks and Recreation Director; Peter Kulbacki, Public Works Director; Barbara Prince, Etna Librarian; Betsy McClain, Administrative Services Director; and Mike Ryan, Assessing Director. Ms. Griffin stated that Mary White will be retiring in August of this year and Mike Ryan will be retiring in June.

Mr. Fowler wished to express gratitude to Assistant Superintendent Jonathan Brush and Hanover High School Principal Justin Campbell for their flexibility and cooperation in making it possible for Town Meeting to be held in the Hanover High School gymnasium despite some recent challenges.

Moderator Fowler MOVED to Dispense with Reading the Warrant Articles Twice. The Floor Voted Unanimously in Favor of the Motion.

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

One member of the Advisory Board of Assessors for a term of three (3) years;
Three Fence Viewers, each for a term of one (1) year;
One Pine Park Commissioner for a term of three (3) years;
Two Surveyors of Wood and Timber, each for a term of one (1) year;

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

Select Board Member 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;

Judson (Jay) Pierson

Three Fence Viewers, each for a term of one (1) year;

Robert Grabill

Matt Marshall

Sarah Packman

One Pine Park Commissioner for a term of three (3) years;

Linda Fowler

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

John Richardson

Ed Chamberlain

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

The Motion was SECONDED from the Floor.

The Motion PASSED and the Nominees were ELECTED.

Mr. Fowler expressed his appreciation to the candidates for their hard work.

Select Board Member Carter noted for the audience that there are seats available for other Town Offices and interested registered voters should contact the Town.

ARTICLE SIXTEEN: 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.

Select Board Member Carter MOVED that the Reports from the Select Board Members, Town Clerk, Treasurer, Collector of Taxes and Other Town Officers as Printed in the 2015 Town Report be Accepted, as well as any Special Resolutions. The Motion was SECONDED from the Floor.

Dean Lacey made the following presentation for the Parks and Recreation Volunteer of the Year award:

“Each year, we give the Volunteer of the Year Award to a citizen of a neighboring area who has helped with a number of events and activities that the Hanover Parks and Recreation Department sponsors.

“This year’s recipient might hold the record for the number of events worked over the course of the past eight years. She has worked at eight Fourth of July Celebrations, eight Turkey Trots, seven Pond Parties, five Make and Take Parties, three FallFests (though we’ve had only three FallFests), and countless middle school dances and family nights. Karen Burdette, or ‘Liz’s Mom’ as she’s known by many, can be found setting up, leading an activity and taking down at just about every Parks and Recreation event in Hanover. After thirty-plus years of working at the Norwich Child Care Center, she enjoys interacting and catching up with the kids and families she taught as toddlers or infants in the classroom. Karen has become a fixture at all HPR events. She is so dedicated that she has even altered her travel plans to be available to help. This dedication has earned Karen this year’s Volunteer of the Year Award.”

Mr. Lacey invited Ms. Burdette to the floor to present her with the award.

Chair Christie read a proclamation congratulating Kendal at Hanover as the community celebrates its twenty-fifth anniversary:

“Whereas Kendal at Hanover opened its doors of residency in July of 1991; Whereas, since opening, Kendal has been home to 1,053 Hanover residents, enjoying life at a 215 independent living apartments and a full-service nursing home facility; Whereas Kendal residents are vital members of the Hanover community, volunteering thousands of hours every year to dozens of area organizations, including supporting a partnership with neighboring Richmond Middle School; Whereas Kendal’s Intergenerational Program with residents, staff and children and the Children’s Center is considered a model for other retirement communities throughout the country; Whereas Kendal’s Inner Light Program, a resident-oriented continuous improvement process received a regional award from LeadingAge Maine and New Hampshire; Whereas Kendal at Hanover is accredited by the Commission of Accreditation for Rehabilitation Facilities and has been awarded a five-star overall rating by Medicare’s Nursing Home Compare; Whereas Kendal has played a significant role in Hanover’s EPA Green Power Community designation, representing the second-largest one-hundred percent green power user in the State of New Hampshire; Whereas Kendal is a major employer in the region, providing jobs to 321 staff members; Whereas Kendal continues to provide a wonderful retirement living option for many Hanover residents as well as many people from around the country that are attracted to this region and contribute to the intellectual, philanthropic and volunteer spirit of the Upper Valley; Now, therefore, be it proclaimed by the Town of Hanover Select Board that July 2016 will mark

the twenty-fifth anniversary of Kendal in our community. The Town of Hanover is immensely grateful for Kendal's presence in our midst and the invaluable contributions made by so many of its residents on behalf of our region. Proclaimed this tenth day of May, 2016."

Chair Christie invited representatives of Kendal forward and presented them with a commemorative clock.

Ms. Griffin invited Barbara McIlroy to step forward and presented her with a vernal witch hazel plant. She made the following proclamation to Mrs. McIlroy and her husband, Doug:

"Whereas the Town of Hanover has enjoyed and benefited from the many contributions made by Barbara and Doug McIlroy, over twenty-plus years; Whereas Doug and Barbara McIlroy continue to display an indefatigable commitment to assisting the Town and its residents in many ways big and small; Whereas Barbara and Doug's names show up on so many community advisory committees and volunteer efforts that your colleagues were overwhelmed by the task of attempting to corral the list of accomplishments and activities; Whereas Doug and Barbara have been involved as 'Garlic Mustard Busters,' Trail Days leaders, Rain Garden champions, Conservation Commission Vice Chair, Biodiversity Committee Chair, Trail Committee Chair, Bike and Pedestrian Committee member, Hanover Garden Club member, Invasive Species Manager and school liaison, Champion of Pedestrians, Crosswalk Quality Control Inspectors, Plant and Nursery Keepers, Beetle Farmers, Stormwater Management Czars, GPS Mapping and Signage advocates, Balch Hill Stewardship Committee members, Greensboro Ridge Stewardship Committee members, Hanover Trails Coordinators in conjunction with DOC, Tuck, ATC, Youth in Action, Hypertherm, Ledyard and others, a Deer Team member, and the author of History Hikes, and the list goes on and on; Whereas the Town of Hanover runs on the backs of many dedicated and talented volunteers who lend thousands of hours and significant expertise on the activities of the Town, and Barbara and Doug exemplify this commitment and generosity; Whereas Hanover is fortunate to have Doug and Barbara McIlroy as our citizens, now, therefore, the Hanover Select Board does hereby thank Doug and Barbara McIlroy for their unwavering dedication to the community we all love and for the gift of their time, support and energy."

The Motion PASSED and Article Sixteen was ADOPTED.

ARTICLE SEVENTEEN: To see if the Town will vote to raise and appropriate \$10,000 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, a designation of the General Fund Undesignated Fund Balance, 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 2014-2015. 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.

Select Board Member Whitcomb MOVED that the Town Vote to Raise and Appropriate \$10,000 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, a Designation of the General Fund Undesignated Fund Balance, 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 2014-2015. 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.

A resident commented that this amount isn't much. Select Board Member Whitcomb replied that there has not been much land use change tax activity this past year.

The Motion PASSED and Article Seventeen was ADOPTED.

ARTICLE EIGHTEEN: To see if the Town will vote to raise and appropriate \$10,000 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, a sub-accounting of the General Fund Undesignated Fund Balance, 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 2014-2015. 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.

Select Board Member Whitcomb MOVED that the Town Vote to Raise and Appropriate \$10,000 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, a Sub-Accounting of the General Fund Undesignated Fund Balance, 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 2014-2015. 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.

The Motion PASSED and Article Eighteen was ADOPTED.

ARTICLE NINETEEN: To see if the Town will vote to raise and appropriate \$34,260 for deposit into the Municipal Transportation Improvement Fund, and to authorize funding of this amount by transfer from the Transportation Improvement Fee Reserve, a designation of the General Fund Undesignated Fund Balance, 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 2014-2015.

Vice Chair Rassias MOVED that the Town vote to Raise and Appropriate \$34,260 for Deposit into the Municipal Transportation Improvement Fund, and to Authorize Funding of this Amount by Transfer from the Transportation Improvement Fee Reserve, a Designation of the General Fund Undesignated Fund Balance, 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 2014-2015. The MOTION was SECONDED from the Floor.

Vice Chair Rassias noted that this fund was established at Town Meeting in May, 2010. A surcharge of \$5.00 is collected each time a motor vehicle is registered in Hanover to be placed into this fund. The current unencumbered balance in this fund is \$40,275 prior to action at this moment.

The Motion PASSED and Article Nineteen was ADOPTED.

ARTICLE TWENTY: To see if the Town will vote to raise and appropriate \$1,183,418 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	\$61,028
Bridge Replacement and Renovation Capital Reserve Fund	\$15,000
Building Maintenance and Improvement Capital Reserve Fund	\$110,000
Dispatch Equipment and Dispatch Center Enhancements Capital Reserve Fund	\$25,000
Fire Department Vehicle and Equipment Capital Reserve Fund	\$143,090
Highway Construction and Maintenance Equipment Capital Reserve Fund	\$392,000
Parking Operations Vehicles and Parking Facility Improvements Capital Reserve Fund	\$105,000
Police Vehicles and Equipment Capital Reserve Fund	\$84,000
Road Construction and Improvements Capital Reserve Fund	\$24,000
Town Revaluation Capital Reserve Fund	\$10,000
Sewer Equipment and Facilities Improvements Capital Reserve Fund	\$130,000
Water Treatment and Distribution Equipment and System Capital Reserve Fund	\$84,300

Select Board Member Carter MOVED that the Town Vote to Raise and Appropriate \$1,183,418 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	\$61,028
Bridge Replacement and Renovation Capital Reserve Fund	\$15,000
Building Maintenance and Improvement Capital Reserve Fund	\$110,000
Dispatch Equipment and Dispatch Center Enhancements Capital Reserve Fund	\$25,000
Fire Department Vehicle and Equipment Capital Reserve Fund	\$143,090
Highway Construction and Maintenance Equipment Capital Reserve Fund	\$392,000
Parking Operations Vehicles and Parking Facility Improvements Capital Reserve Fund	\$105,000
Police Vehicles and Equipment Capital Reserve Fund	\$84,000
Road Construction and Improvements Capital Reserve Fund	\$24,000
Town Revaluation Capital Reserve Fund	\$10,000
Sewer Equipment and Facilities Improvements Capital Reserve Fund	\$130,000
Water Treatment and Distribution Equipment and System Capital Reserve Fund	\$84,300

The Motion was SECONDED from the Floor.

Select Board Member Carter brought the audience’s attention to page thirty-three of the background information as explanation of this Warrant Article.

Resident Jim Reynolds asked why these numbers are so materially different than last year’s numbers. Ms. Griffin replied that we have a very detailed capital improvement program and we plan for this program in ten-year increments. We map out replacement schedules for all equipment each year, which dictates how much money we are looking to put into the fund each year based on how much we think the budget can sustain given the tax rate target set by the Board, as well as looking at our equipment replacement schedule for the upcoming year. This means that some years we put more in reserves than other years.

The Motion PASSED and Article Twenty was ADOPTED.

Moderator Fowler presented the results of the ballot voting and thanked voters for the time spent on the ballot.

Select Board Member Carter thanked Judith Esmay of the Planning Board for all of her guidance in reorganization of the Zoning Articles.

ARTICLE TWENTY-ONE: To see if the Town will vote to raise and appropriate \$1,034,700 for the purposes listed below, and to authorize funding these amounts by withdrawal from the listed capital reserve funds in the following amounts:

Bridge Replacement and Renovation Capital Reserve Fund <i>Great Hollow Road Bridge #098/053</i>	\$25,000
Building Maintenance and Improvement Capital Reserve Fund <i>Police Station Boiler; Town Hall HVAC</i>	\$37,500
Dispatch Equipment and Dispatch Center Enhancements Capital Reserve Fund <i>50% Town Match for Grant-Funded Police Department Simulcast Radio System</i>	\$80,000
Highway Construction and Maintenance Equipment Capital Reserve Fund <i>Truck #13; Roadside Mower Boom; Truck #6</i>	\$207,000
Police Vehicles and Equipment Capital Reserve Fund <i>Replace Unmarked Vehicles (Cruisers #7, #8) and Marked Sport Utility Vehicle (Cruiser #5)</i>	\$117,600
Fire Department Vehicle and Equipment Capital Reserve Fund <i>Replace Fire Car #2; Etna Fire Station Building Capital Maintenance</i>	\$60,100
Parking Vehicles and Facilities Improvements Capital Reserve Fund <i>Replace Parking Operations Vehicle</i>	\$21,000
Sewer Equipment and Facilities Improvements Capital Reserve Fund <i>Grit Removal System; Truck #27106; Replace Sport Utility Vehicle</i>	\$459,500
Water Treatment and Distribution Equipment and System Capital Reserve Fund <i>SCADA and Related Instrumentation Upgrades</i>	\$27,000

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, 2021, whichever is sooner.

Select Board Member Carter MOVED that the Town Vote to Raise and Appropriate \$1,034,700 for the Purposes Listed Below, and to Authorize Funding these Amounts by Withdrawal from the Listed Capital Reserve Funds in the Following Amounts:

Bridge Replacement and Renovation Capital Reserve Fund <i>Great Hollow Road Bridge #098/053</i>	\$25,000
Building Maintenance and Improvement Capital Reserve Fund <i>Police Station Boiler; Town Hall HVAC</i>	\$37,500
Dispatch Equipment and Dispatch Center Enhancements Capital Reserve Fund <i>50% Town Match for Grant-Funded Police Department Simulcast Radio System</i>	\$80,000
Highway Construction and Maintenance Equipment Capital Reserve Fund <i>Truck #13; Roadside Mower Boom; Truck #6</i>	\$207,000
Police Vehicles and Equipment Capital Reserve Fund <i>Replace Unmarked Vehicles (Cruisers #7, #8) and Marked Sport Utility Vehicle (Cruiser #5)</i>	\$117,600
Fire Department Vehicle and Equipment Capital Reserve Fund <i>Replace Fire Car #2; Etna Fire Station Building Capital Maintenance</i>	\$60,100
Parking Vehicles and Facilities Improvements Capital Reserve Fund <i>Replace Parking Operations Vehicle</i>	\$21,000
Sewer Equipment and Facilities Improvements Capital Reserve Fund <i>Grit Removal System; Truck #27106; Replace Sport Utility Vehicle</i>	\$459,500
Water Treatment and Distribution Equipment and System Capital Reserve Fund <i>SCADA and Related Instrumentation Upgrades</i>	\$27,000

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, 2021, whichever is Sooner. The Motion was SECONDED from the Floor.

Resident Marjorie Rogalski noted that, at last year's Town Meeting, we appropriated \$300,615 for the Police Vehicles and Equipment Capital Reserve Fund for six police vehicles. She asked how many police vehicles we have and whether Cruiser #5 was one of the vehicles replaced last year, as it seems like we have many police vehicles. Ms. Griffin explained that there are nine vehicles in the Police Department. Last year we replaced six of the vehicles and are planning to replace the remaining three this year. Cruisers are not all replaced at the same time because we put more mileage on our cruisers than we do on the three other vehicles. The three we plan to replace now were due to be replaced nearly eighteen months ago. One of these three vehicles is used as a utility vehicle to transport equipment.

Resident John Souther asked what the time frame is for replacing the cruisers and the rationale behind that timeframe as it seems the turnover is quick. Ms. Griffin stated that we usually replace the cruisers every three years and are able to get about 125,000 miles out of them. In the

past, when we have stretched the replacement schedule out to four years, we ended up losing money by replacing transmissions. The unmarked cars and the utility vehicle are replaced every five years. We were delayed in replacing the sixth vehicle due to a change in manufacturing specifications. We put lower mileage on these vehicles than the cruisers and our goal is to get to 125,000 on the vehicles and avoid having to replace transmissions.

Mr. Reynolds asked what is wrong with replacing transmissions. Ms. Griffin explained that when we have to replace a transmission, it is very expensive and we actually find that we make more money for the Town by selling the used vehicles and putting those funds into the cruiser replacement fund. The economics work out for us by using a three-year replacement schedule and selling the used ones. A lot of communities in New Hampshire defer replacing cruisers until they are four years old, resulting in a horrendous amount of down-time for the cruisers.

Mr. Souther asked for further explanation of the \$459,000 item for the Sewer Equipment and Facilities Improvements Capital Reserve Fund. Ms. Griffin first stated that all residents should take a tour of the Wastewater Treatment Plant if they have not yet done so. Without this experience, it's difficult to appreciate what is involved in a grit removal system, which is a major part of this line item. The grit removal system is the "work-horse" of our Wastewater Treatment Plant and screens out everything that should not be put through treatment. When we did the last three-phase upgrade at the Plant, we opted not to replace the grit removal system, thinking we could get another four or five years out of the system. At this point, it is not working well and it is time to replace it. She reminded the audience that the Water Reclamation Facility is fully funded by the user fees paid by those on Town sewer.

The Motion PASSED and Article Twenty-One was ADOPTED.

ARTICLE TWENTY-TWO: To see if the Town will vote to raise and appropriate \$42,000 for funding of a sidewalk at Hemlock Road and a mid-block pedestrian crossing on East Wheelock Street between Crosby and South Park Street, and to fund this appropriation by authorizing the withdrawal of this sum from the Municipal Transportation Improvement Fund. This will be a non-lapsing appropriation per RSA 32:7, VA and will not lapse until these improvements are complete or June 30, 2021, whichever is sooner.

Vice Chair Rassias MOVED that the Town Vote to Raise and Appropriate \$42,000 for Funding of a Sidewalk at Hemlock Road and a Mid-Block Pedestrian Crossing on East Wheelock Street between Crosby and South Park Street, and to Fund this Appropriation by Authorizing the Withdrawal of this Sum from the Municipal Transportation Improvement Fund. This will be a Non-Lapsing Appropriation per RSA 32:7, VA and will not Lapse until these Improvements are Complete or June 30, 2021, whichever is Sooner. The Motion was SECONDED from the Floor.

Vice Chair Rassias explained that this is the follow-up Warrant Article to number Nineteen. The Municipal Transportation Improvement Fund allows us to make worthwhile improvements to public transportation initiatives, rotary improvements, signal upgrades and the development of bicycle and pedestrian paths. The first project of this Warrant Article relates to the sidewalk project from Hemlock to Rip Road and is described in further detail on page thirty-four of the

background information. This project was highlighted by the Safe Routes to School project. This project was a community effort concluded about three years ago and evaluated safe ways for children to get to school. This is a very difficult intersection for pedestrians.

The second project relates to a mid-block crosswalk in front of Dartmouth's Alumni Gym. The intent is to funnel pedestrians crossing to and from the gym in that section, improving safety for both the pedestrians and motor vehicles in that area.

Ms. Rogalski asked for more details about the construction of the crosswalk at the gym and stated that it is difficult to see pedestrians crossing the road there. Vice Chair Rassias stated that it would be similar to the crosswalk on South Park Street at Valley Road, which is lit from above. It does not have the rapidly-flashing lights as we have found that motorists find a lit crosswalk better than the flashing lights. The lights are more of a distraction.

Bill Young, Chair of the Bike and Pedestrian Committee, wished to thank Barbara McIlroy for her role on the Committee for her role in improving pedestrian safety. He also stated that they are working very hard, especially with Dartmouth students, in making pedestrians and vehicles more visible and making them aware of the hazards low visibility causes to both them and motor vehicle drivers. He encouraged residents to attend Green Key weekend, and on Saturday, May 21 from 6 to 8 p.m. on the Dartmouth Green, the Bike and Pedestrian Committee would be holding a few events. One of them addresses visibility, one is a Monty-Python Silly-Walk Contest, and the other is a Jaywalkers Anonymous meeting. They will have questionnaires and everyone who fills one out will receive a blinking light to be attached to themselves to become more visible.

Resident Jed Williamson asked if there was any data on collisions between vehicles and pedestrians and/or bicyclists in Hanover. Ms. Griffin stated that we do have this kind of data and the Bike and Pedestrian Committee has mapped collisions between vehicles and pedestrians on an assessment map, done in conjunction with the Police Department. This map is helping to prioritize improvements to crosswalks. The Bike and Pedestrian Committee tackles these projects with the Department of Public Works as funds become available.

The Motion PASSED and Article Twenty-Two was ADOPTED.

ARTICLE TWENTY-THREE: To see if the Town will vote to approve the cost items included in the collective bargaining agreement reached between the Board of Selectmen on March 28 2016 between the Town of Hanover and the New England Police Benevolent Association, Local 27, which calls for the following increases in salaries and benefits at the current staffing level:

<u>Year</u>	<u>Estimated Increase</u>
2016-2017	\$62,070

And further to raise and appropriate the sum of \$62,070 for 2016-2017 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.

Select Board Member Geraghty MOVED that the Town Vote to Approve the Cost Items Included in the Collective Bargaining Agreement Reached Between the Board of Selectmen on March 28 2016 between the Town of Hanover and the New England Police Benevolent Association, Local 27, which Calls for the Following Increases in Salaries and Benefits at the Current Staffing Level:

<u>Year</u>	<u>Estimated Increase</u>
2016-2017	\$62,070

And Further to Raise and Appropriate the Sum of \$62,070 for 2016-2017 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.

Select Board Member Geraghty explained that there is detailed information about this Warrant Article in the background information starting on page 34. There are three Unions for Town of Hanover employees. The other two reached agreement with the Town last year. This agreement would be for one year only and would expire at the same time as the other two, which will be June 30 of next year.

The Motion PASSED and Article Twenty-Three was ADOPTED.

ARTICLE TWENTY-FOUR: To see if the Town will vote to raise and appropriate \$23,195,345 to pay the operating expenses of the Town for the 2016-2017 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.

Chair Christie MOVED that the Town Vote to Raise and Appropriate \$23,195,345 to Pay the Operating Expenses of the Town for the 2016-2017 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.

Chair Christie made the following budget presentation:

“Each budget year seems to present its own challenges and opportunities, and this year was no exception.

“But before getting into some of the budget highlights, let me first bring you up to speed on some changes in financial policy that the Board adopted this year involving our Budget Guidelines and Operating Reserves targets.

“As to budget guidelines, the Board has historically relied heavily on matching our tax rate increases to the Consumer Price Index. As I have often mentioned in past presentations, while the CPI has the advantage of being a familiar metric, it really gave little guidance for town

spending. With seventy percent of our budget determined by salaries and benefits, which are not a part of the CPI bucket, and the town not being a significant buyer of food, clothing, housing, etc., the Town's bucket of goods and services has very little in common with the CPI bucket.

“Over the past three years, using the CPI as a primary driver of the Budget Guideline became more and more problematic, and was relied on less and less each year. The Board formally recognized this shift in its policy by changing the guideline to include some half-dozen variables thus reflecting what had become our practice.

“The other major change was to increase our operating reserve target range for the general fund to ten-to-fifteen percent from the previous five-to-ten percent. Given past weather events locally (some of which we ducked, others not), Julia and the Board had been looking for an opportunity to increase our Undesignated Fund Balances to protect against what seems like more frequent and more severe events. That opportunity came this year when projected budget surpluses allowed us to increase the reserves for the general fund to the higher range without raising additional taxes.

“While we are on the topic of reserves, one lesson I've learned over the years was reinforced this year: namely, that proper management of reserves is critical to our budgeting process and financial health. In addition to operating reserves, often referred to as “Undesignated Fund Balance” we are fortunate to also have substantial Capital Reserves that help us smooth out the tax impact of capital purchases such as police cruisers, trucks, snow plows and other large-ticket items. Properly managing these reserves tie into two other Budget Guidelines, namely: ‘Not kicking the can down the road’ and ‘Not using reserves to manage the tax rate’.

“In any year, the easiest short-term fix for that year's budget is to inappropriately use Undesignated Fund Balances or to inadequately fund Capital Reserves, followed quickly by underfunding road repair and maintenance. We try diligently to not do any of these as the long-term pain is always worse than the short-term pleasure.

“So with new guidelines in place, this year the Board set a budget guideline of a 2.5 percent increase in the tax rate. As always, staff came back with a draft budget at the target with a list of items that just made or missed the cut. During the budget hearings, the Board, with the help of the finance committee, found ways to reduce the proposed tax rate from 2.5 percent to 1.5 percent without violating (although we got pretty close) our guidelines.

“So what were the major drivers of this year's budget?

“As always, the largest driver is salaries and benefits, which are determined by contract. We are now in the second of a two-year contract and have fully implemented the compensation recommendations from the study that we did last year.

“This year's budget also includes funding for the first installment in what will be a \$200,000 investment in new accounting and budgeting software called Enterprise Resource Planning software. During the budget hearing Betsy and David presented this item to the Board. David in particular got all wound up and after about ten minutes I started nervously looking at my

watch, at which point Joanna chimed in, yelled uncle, and we moved on. Their arguments justifying this purchase were overwhelming and The Board was convinced that this investment will come back to us many fold.

“And then there is the fifty—yes, fifty- year-old snow blower that is now ready for snow blower heaven. This is a good example of how each piece of capital equipment is looked at on a case-by-case basis and replaced only when the cost of repair and loss of reliability make replacement the best option.

“We are in the late stages of hiring a Senior Planner to manage our Planning and Zoning Department. This position has been vacant for too long and now is the hour. In private sessions Joanna reminds Julia of this need about every five minutes.

“A new sidewalk is planned on the west side of Route 120 between Buck Road and Greensboro. This will be paid for by outside development fees from the Twin Pines Housing Trust. There are other significant sidewalk needs along 120 and elsewhere, however, they will be front and center in next year’s budget.

“Recycling has become more expensive as the market for recycled materials has gone down dramatically in recent years. This line item increased by \$59,000 to \$196,000 in this year’s proposed budget. The Town is looking at the option of bringing this service in-house, but we remain committed to providing recycling as a Town service.

“I think I will stop there, except to express the Select Board’s thanks to Julia, Betsy, and the department heads who work diligently, creatively, and with great pride, as is evidenced each year in their budget presentations. In fact, if you are interested, I strongly suggest that you attend the three nights of budget hearings. As part of their presentation, each department head tells the Board what they are most proud of from the preceding year, what are the drivers for their budget, and what keeps them up at night. It makes for informative and fun sessions.

“We also thank the many volunteers who serve on boards, committees, task forces and make an essential contribution to Hanover being the special town that it is. Knowing that there are many examples of this, let me tell you about just one. As many of you know, the Trescott Board made the decision to open up for public use the 1,200 acres of land adjacent to our reservoirs which are jointly owned by the Town and the College. This was welcome news to many, but a working group was still needed to establish the guidelines for use and make it happen. Almost magically, a Management Committee was created composed of representatives from the Town, the College, the Hanover Conservation Committee, the Hanover Conservancy, and the Upper Valley Trails Alliance. With grant money that they applied for and received from the Quabbin to Cardigan Partnership topped off by funding from the Trescott Company, there were kiosks in place, parking areas in place, trails marked and cleared, educational walks conducted, and thoughtful use guidelines created. I could not help but notice eight cars parked at the entry from Trescott Road as I went by early last Saturday morning.

“In closing, I have some more good news to share with you tonight. How many here knew Lou and Ann Bressett? How many here have enjoyed a breakfast or lunch at Lou’s restaurant?

Well, before the days of “right to know laws” and required “open meetings laws,” there was a time when most of Hanover’s Town business was conducted over breakfast by a wonderful group of citizens with names like Bressett, Campion, Gile, Cavaney, Cutter, LeClair, and Hawthorn, amongst others. We were all saddened by Lou’s death several years ago, and with Ann’s more recent passing. With their passing, however, the Town was the recipient of a wonderful three million dollar endowment, interest from which has been designated for special projects and programs. How generous of the Bressetts and what a wonderful testimonial to the importance of the Town in their lives.

“Only in Hanover!!!”

Heidi Postupack, Chair of Hanover Finance Committee, stated that during its public meeting on March 8, 2016, the Hanover Finance Committee voted three to one to support the proposed FY17 Hanover town budget. The HFC is an appointed Town committee comprised of Hanover residents charged with reviewing financial matters of the Town of Hanover and Hanover School District, and offering guidance on those matters to the Town and its officials. As part of its deliberations about the proposed Town budget, the HFC reviewed projected revenue and expenditure data and discussed details of the budget with town officials.

After careful review, the majority of Hanover Finance Committee (HFC) members concluded that the proposed budget represented a modest increase in the tax rate and the tax levy while meeting the needs of administrators to conduct the business of the Town. We recommend that Hanover residents adopt this budget. In voting with the majority, the Committee members noted that the budget represents a tax rate increase, including the fire districts, of 1.57 percent and a tax levy increase of 2.63 percent. The final budget represents a lower tax rate increase than the original budget guideline of 2.5 percent set by the Select Board in December, and demonstrates an effort on their part to constrain the impact of increases on Hanover taxpayers. It should be noted that the lower rate increase is primarily a result of significantly lower levels of spending in the current year than originally planned. This allowed for additional initiatives slated for FY17 to be funded in the current year.

While a majority of the Finance Committee believes this to have been a responsible and responsive approach, Town officials cannot rely on similar circumstances every year. For this reason, HFC members remain concerned about the future trajectory of the tax rate and foresee an ongoing need for restraint and a reliance on sound fiscal policy in future budget development.

Minority Opinion:

The HFC minority found the proposed Town tax levy increase of 2.63 percent (\$319,000) to be unacceptable during a year when inflation was negative 0.4 percent. The proposed budget represents a tax levy increase of 3 percent above inflation. The minority finds this increase to be an unacceptable continuation of long-term tax levy increases of three times that of inflation. The minority concluded that the proposed budget should be rejected and recommends that the Town adopt a total tax levy equal to last fiscal year (i.e., level funding). In looking at the long-term trends in Town taxes (i.e., excluding county and school taxes), the total Town tax levy has nearly doubled from \$6.55 million in FY03 to the proposed \$12.45 million in FY17 (a \$5.9

million increase). Over this fourteen-year period, the Town tax levy increased by ninety percent while inflation grew by only thirty-one percent. Stated differently, since FY03, the Town tax levy has increased by 4.7 percent per year, while inflation measured only 2.1 percent annually. The minority urges the Town to shift to a path of sustainable long-term spending, and believes that with strong fiscal leadership the town can provide good services without increasing the tax levy for FY17.

Ms. Postupack thanked everyone for their willingness to work with the Hanover Finance Committee

John Ruth stated that he represents the minority opinion of the Hanover Finance Committee. He reiterated Ms. Postupack's statement about the minority opinion and stated that it is his opinion that the tax levy is not sustainable in the long-term and that we are living beyond our means. He encourages the Town to rein in spending and consider a level budget. He added that the other fees residents pay (such as building permit fees and motor vehicle registrations) have increased over the last ten years by thirty percent. This is higher than the inflation rate, while many residents' incomes have not increased at the same rate. He added that seventy percent of the proposed budget is comprised of employee compensation. During the current fiscal year, total compensation was budgeted to increase 6.7 percent, and this year's proposed budget increases it further by 3.2 percent, or a ten percent increase in total employee compensation over two years. He therefore feels that there is room for a level budget.

Mr. Ruth stated that there was no material spending forgone in the budget reductions that Chair Christie and Ms. Postupack spoke about. Part of those budget reductions are the result of pulling money from this year because there was a mild climate with less overtime expenditures as a result. In addition, the snow blower was also funded fully with undesignated fund reserves.

John Ruth MOVED that the Town Vote to Raise and Appropriate \$22,876,110 to Pay the Operating Expenses of the Town for the 2016-2017 Fiscal Year, for the Purposes Set Forth in the Town Budget. This Sum does Not Include any Amounts Voted in any of the Preceding or Succeeding Warrant Articles. Further, that the \$319,235 Reduction from the Originally Proposed Warrant Article Twenty-Four of \$23,195,345 be Affected so that \$218,389 be Reduced from Appropriations Funded by the General Fund Municipal Tax Levy and \$100,846 be Reduced from Appropriations Funded by the Combined Fire District Tax Levy. The Motion was SECONDED from the Floor.

Moderator Fowler asked Ms. Griffin to explain what the manner of implementation would be with adoption of a flat budget. Ms. Griffin explained that if a flat budget were adopted, she would work with Department Heads on making cuts to reduce General Fund expenditures. She would not likely look to make several smaller budget cuts, such as a percentage cut for each department, but rather, eliminating a service area. Curbside recycling represents an amount similar to what Mr. Ruth proposes to cut. Curbside recycling is only an example. Eliminating the amount proposed from the Fire Fund would likely involve at least one layoff. If that were to happen, she would consult with the Fire Chief and then the Board on how to proceed.

Mr. Ruth clarified that he does not care where the cuts are made, only that the tax levy be flat. Ms. Griffin clarified for the audience that the tax levy increase includes both the tax rate increase that taxpayers would experience in addition to the added taxing ability we earn from a growth in total assessed valuation, such as a new dormitory on the Dartmouth campus, several new homes and new commercial businesses. This adds tax bases to our tax roles. This enables us to do more with our money because we are now collecting more tax revenue. She wanted to make it clear to residents the difference between a tax rate and tax levy. Mr. Ruth stated that he understands this, but does not understand why the appreciation of his house or Dartmouth putting up another building should increase his tax bill.

John Ruth MOVED to Amend his Previous Motion as Follows: That the Town Vote to Raise and Appropriate \$22,876,110 to Pay the Operating Expenses of the Town for the 2016-2017 Fiscal Year, for the Purposes Set Forth in the Town Budget. This Sum does Not Include any Amounts Voted in any of the Preceding or Succeeding Warrant Articles. The Motion was SECONDED from the Floor.

Resident Bill Fischel stated that he appreciates what the Finance Committee does. Nonetheless, he is not in favor of the amendment because the approach that the Finance Committee has taken hasn't given an appropriate benchmark. The idea that we should or should not keep up with the CPI or not raise tax rates seems overly-restrictive. An appropriate comparison that he would like from the Finance Committee is what other Towns similar to us do and what is happening with their tax rates and the services they offer. It could be that our spending is excessive, but without that comparison, he isn't confident in voting for a significant change from the budget as originally proposed. In addition, when new houses and buildings are erected, that, in turn, does require more services such as police and fire protection, road maintenance, etc. He thinks it would be appropriate to for the budget to go up with valuations.

Resident Pete Murdza stated that he is in agreement with Mr. Fischel. He asked if there was a response from the minority on the Finance Committee to Chair Christie's argument that the CPI is no longer an appropriate measure on which to base budgets. Ms. Postupack replied that the Finance Committee for several years has talked about the Board using some sort of metric to use as a guide year after year that isn't necessarily the CPI, but something to help decide what the increase should be as they build the future budget that is reasonable. She added that she liked Mr. Fischel's idea of coming up with a guideline based on what similar Towns do and what their increases have been. When the Finance Committee became aware that the Board planned to eliminate the CPI as a reference, they advocated for some other sort of reference. They will work on that again this year and make a recommendation to the Board.

Mr. Murdza also recalled an article in the *Valley News* regarding the shifting of services from the State to local communities about two or three years ago. We should bring this into account when comparing proposed budgets to previous budgets. We should expect local taxes to increase if the Town is taking on these services.

Ms. Griffin stated that one of the key pressure points on the Town's budget since the recession in 2008 is that the State legislature, being very fiscally conservative, has worked to avoid implementing an income or sales tax. One of the ways they did this was by downshifting a lot of

expenses onto cities and towns. We have seen hundreds of thousands of dollars placed on our backs and the State continues to do so. We are trying to get the State to restore a State-Assisted Grant they promised to us to offset the cost of our Wastewater Treatment Plant Upgrade, which they reneged on to us and five other communities in New Hampshire.

Mr. Reynolds stated that he is in support of Mr. Ruth's amendment. He said that he has been able to work with some very smart people in finance and Mr. Ruth is one of those people. He stated that Mr. Ruth is who the residents should listen to when talking about finance. Mr. Reynolds stated that he doesn't buy the point of divorcing ourselves from the CPI because the income of practically everyone in the room is geared to the CPI. If you are going to divorce yourselves from the people here and their income stream, then you're going to get out of touch with reality real quick. In other words, the professors at Dartmouth, doctors at DHMC, and the man on the street are all getting compensation geared to the CPI. The revenue stream of this town is therefore closely connected to the CPI and you have to take that into account or you will have an unsustainable situation. He thinks the Town is already in an unsustainable situation by raising the tax levy by three times the rate of the CPI over the last ten years. When you raise total compensation by a total of ten percent over two years, you're in an unsustainable situation. He stated that someone has to take a hard look at this budget and he doesn't think that has been done.

Chair Christie stated that Ms. McClain has done a study recently using twenty comparable communities in New Hampshire and evaluated tax levies for the last ten years. We were eleventh on that list, which was reassuring to the Board that we are not an outlier when it comes to increases in tax levies. Chair Christie read to the audience the first of the Objectives and Beliefs in the Budget Guidelines: *Our primary budget objective is to balance the needs/desires of our citizens with their willingness and ability to pay.* Discussion of this objective is as follows: *Given the unique service provided by a municipal government, pegging projected increases to standard market indexes is problematic. Truly, the development of a municipal budget is more an art than a science. In addition to considering the CPI and the MCI as context for setting the targeted tax rate change for the proposed budget year, The Board of Selectmen will also heavily weigh the following factors: Anticipated change in Grand List; Anticipated impacts on the local property tax from the State's downshifting of its budget responsibilities; Projects of high community priority to be taken on in the upcoming budget year(s); and Known increases in employee wages and benefits previously negotiated as part of the collective bargaining process.*

Chair Christie emphasized that the Board tries to look at many factors. The CPI is now one of six or seven factors considered in the budgeting process, which is an art, not a science.

Mr. Souther stated that he is in support of Mr. Ruth's amendment but would like some clarification on some of the response to it. He understands that about seventy percent of the budget is driven by labor costs. How is it that the Town determines what we pay for labor and how much it increases and where that stands relative to other towns. If this is what is driving our budget, we should have a good understanding of it. He also talked about Ms. Griffin's comments about eliminating service areas rather than making many more, though much smaller, cuts. We did not add services all at once, but, rather, incrementally, increasing the budget here and there. He also asked the Hanover Finance Committee why they are in approval of this year's

budget, which is even higher than last year's budget of \$11.8 million. He thanked the Town officials and volunteers for all of the time they dedicate to the Town.

Ms. Postupack stated that last year, the Finance Committee was unable to influence the Select Board to reduce the budgeted tax rate increase corridor they had set. This year, working with the Select Board during deliberative sessions, the Committee was able to work on reducing the increase from 2.5 percent to 1.5 percent. They were unable to influence the Select Board to reduce the increase last year. The Finance Committee then came to Town Meeting last year to propose an amended budget and lost. The difference is that the Committee was able to affect the budget this year, unlike last year. This year, they felt listened to and cooperated with, which is why the majority of the Finance Committee is in support of the budget.

Select Board Member Geraghty stated that he attends most of the Finance Committee meetings as he is the Select Board Member liaison. He has been in discussion with the Committee during the past year on many of the issues presented. He stated that budget increases are taken very seriously and he appreciates all of the work the Finance Committee does. He wants to make sure that some facts are straightened out for the residents, as statements can sometimes lead one down a path that isn't accurate.

First, revenues from fees *have* increased from year to year. One of the reasons that revenues from fees went up is that the size of the Kids After School Time and camp programs for children increased. This has increased revenues dramatically. At the same time, however, this means that expenses have also increased. Because fees such as this are paid by the user, it doesn't affect taxpayers not taking advantage of such services. His bigger concern is the difference in the compensation, or salaries and benefits, which represents about seventy percent of the budget. The number that has been mentioned is that there is a 6.7 percent increase. That number was determined by taking the actual budget results of twelve months (through June 30, 2015), compared to the current budget amount that was approved last year. However, we know that there have been vacancies, that this was a mild winter resulting in reduced overtime expenses, etc. When considering all of these variables, the increase will likely be closer to 4.5 to five percent. After fourteen years with no market survey data for our staff, we implemented a study comparing ourselves with similar towns and positions. As a result, we determined that adjustments were necessary. Staff received a two-percent merit increase, and many staff received about a five percent increase for market adjustments which were overdue. Human Resource professionals like him know that waiting fourteen years for such a study is not good management. The bottom line is that adjustments needed to be made to retain and recruit quality employees. We do have turnover, but relatively little. To be fair, all of this was implemented in the last year. He wanted to make it clear that Town employees did not get a 6.7 percent salary increase.

Ms. Griffin addressed Mr. Souther's comment related to the several small increases in the budget, which have added up over the years. She stated that the increases in the budget over the last ten years have been a combination of several small increases and new services. The Town has asked for, and we have added, many new services and programs. For example, the Etna Library was expanded, therefore increasing electricity and heating costs. Likewise, the size of the Howe Library almost doubled. This not only results in increased maintenance costs, but

increases for additional staff as well. The Recreation Center was also constructed. The Town works hard to assess fees to the users only to offset the costs, but it isn't wholly self-sufficient. There have been several new services and programs added as taxpayers have asked for them and as the Town saw a need for them. In addition, there have been increases in the cost of paving materials. As oil prices increased, so did the cost of paving materials. As oil prices have come down, sadly, the cost of paving materials has not. There are lots of little increases that we face each year, but there have also been programs added because this community has asked for them.

Resident Bob Russell stated that he is against the amendment. It seems to him, that in this stage of the budget, it is too late to get into changes now. He respects the time and the details that the Finance Committee has put in as well as listening to the Town Manager discuss the balances. Looking at the wealth of this community with Dartmouth College and Kendal, he doesn't think we are typical. He thinks it is well reasoned.

Resident Daryl Press of the Finance Committee stated that he was not present at the Hanover Finance Committee's Meeting on March 8th as he was out of town. However, had he been present, the vote would have been three in favor and two opposed. He explained that he strongly supports Mr. Ruth's amendment and feels that we would be better off with a flat tax levy. The role of the Finance Committee is to look at long-term trends in the budget, not at individual line items. Their role is to provide a second set of eyes and draw attention to long term trends that may be amiss. What he is hearing is that the Town could afford another year of slightly excessive spending, but what has been happening every single year over the course of fifteen years is that residents have felt that another hundred dollars per house or half a percent is reasonable, and the consequence is that over the course of fifteen years we have been outpacing inflation by a factor of three. He noted for those that have brought up the issue of State downshifting that, in the time period we are focusing on, the tax levy went up by about \$4.5 million per year. The downshifting expenses account for about ten percent of that. He stated that equating downshifting with the reason we are tripling that of inflation every single year for fifteen years doesn't make sense.

Mr. Press added that there are lots of different ways to look at how we think about inflation. When he looks at the different ways, he always gets to the same answer. Any way you look at it, we are over the inflation rate. He and Mr. Ruth feel that this is not sustainable. Mr. Press thanked the Select Board members for the volunteer service in running the Town.

Mr. Russell Called the Question from the Floor. A majority vote Supported the Question Being Called.

Moderator Fowler called for a vote on the amended amendment. The voting results were 71 in favor and 88 opposed.

The Majority OPPOSED the Amended Amendment. The Amended Amendment was DEFEATED.

Mr. Ruth stated that he would like to thank the seventy-one residents who voted in favor of his amended amendment. He stated that Select Board Member Geraghty was correct that the

numbers presented represent a budget-to actual amount since we do not yet have final numbers. However, next year, the total budgeted compensation to employees will be ten percent higher than in FY 15 if the budget is passed as originally proposed. He still believes that we could get to a flat tax levy without getting rid of a service such as recycling. He also stated that this is not the first time we have seen compensation increase like this. From FY 10 to FY 12, compensation increased by fifteen percent, so compensation was not overlooked for fourteen years.

Moderator Fowler called for a vote on the original motion related to Warrant Article Twenty-Four.

The Motion PASSED and Article Twenty-Four was ADOPTED.

ARTICLE TWENTY-FIVE: To see if the Town will vote to authorize the Select Board to enter into a five (5) year lease agreement for property located at 9 Allen Street (map 33, lot 43). This action will enable the Town to operate a 16 space parking lot for public use, with revenue generated by the lot to be split between the Town and the property owner. The Town's costs to operate the parking lot will be fully offset by the revenue shared with the Town.

Select Board Member Whitcomb MOVED that the Town Vote to Authorize the Select Board to Enter into a Five (5) Year Lease Agreement for Property Located at 9 Allen Street (Map 33, Lot 43). This Action will Enable the Town to Operate a 16 Space Parking Lot for Public Use, with Revenue Generated by the Lot to be Split between the Town and the Property Owner. The Town's Costs to Operate the Parking Lot will be Fully Offset by the Revenue Shared with the Town. The Motion was SECONDED from the Floor.

Select Board Member Whitcomb noted that this particular parcel of land is located where the dry-cleaner used to be on Allen Street next to the Buskey building. Adoption of this Warrant Article will increase the number of public parking spaces. Spaces will be metered by a kiosk.

Resident Luke Dann asked if the Town would profit from this lease agreement. Ms. Griffin stated that we will make a little bit of profit from this, but we are splitting the proceeds with the property owner, who is allowing us to put this area to good use. He will construct the lot and we will install a pay station kiosk. We will make enough to cover our costs and the rest will go to him.

The Motion PASSED and Article Twenty-Five was ADOPTED.

ARTICLE TWENTY-SIX: To see if the Town will vote to accept the donation of three parcels of property owned by Dartmouth College in Lebanon, NH, consisting of Lebanon Tax Map 8, Lot 27 (approximately 27,000 square feet), the northern portion of Lebanon Tax Map 8, Lot 28 (approximately 12,000 square feet), and a portion of Lebanon Tax Map 5, Lot 1 (approximately 137,000 square feet), and authorize the Hanover Select Board to negotiate and execute all related documents. All three parcels are located adjacent to the southwestern boundary of Sachem Field, which contains Champion Arena. The Town's acceptance of the donated land from Dartmouth College will be contingent on the receipt of approvals of the proposed skating rink addition by

the Lebanon Zoning Board, Lebanon Planning Board, and possibly other federal, state, or local government agencies having jurisdiction over the same.

Select Board Member Geraghty MOVED that the Town Vote to Accept the Donation of Three Parcels of Property Owned by Dartmouth College in Lebanon, NH, Consisting of Lebanon Tax Map 8, Lot 27 (Approximately 27,000 Square Feet), the Northern Portion of Lebanon Tax Map 8, Lot 28 (Approximately 12,000 Square Feet), and a Portion of Lebanon Tax Map 5, Lot 1 (Approximately 137,000 Square Feet), and Authorize the Hanover Select Board to Negotiate and Execute all Related Documents. All Three Parcels are Located Adjacent to the Southwestern Boundary of Sagem Field, Which Contains Champion Arena. The Town's Acceptance of the Donated Land from Dartmouth College will be Contingent on the Receipt of Approvals of the Proposed Skating Rink Addition by the Lebanon Zoning Board, Lebanon Planning Board, and Possibly other Federal, State, or Local Government Agencies having Jurisdiction over the Same. The Motion was SECONDED from the Floor.

Select Board Member Geraghty noted that there is further explanation of this Warrant Article in the Background Information.

Mr. Souther asked for clarification that the parcel would be a donation and not a purchase. Select Board Member Geraghty confirmed that the parcel would be donated.

The Motion PASSED and Article Twenty-Six was ADOPTED.

ARTICLE TWENTY-SEVEN: To see if the Town will vote (a) to establish a Commercial Property Assessed Clean Energy ("C-PACE") district pursuant to the provisions of RSA 53-F (the "Act") for the purpose of financing energy conservation and efficiency and clean energy improvements; (2) to adopt the provision of the Act as is authorized by RSA 53-F:2(II); (3) to designate the Hanover Energy Efficiency and Clean Energy District as the entire area within the municipality; (4) to authorize the Town, pursuant to RSA 53-F:3(IX), to enter into a written agreement with the Jordan Institute, Inc., to administer such a program on its behalf in accordance with this Act; and (5) to authorize the Town to adopt any rules, procedures, guidelines or documents that are necessary and appropriate for the creation, implementation and administration of the purposes of the Act and this Article. This motion will have no impact on the municipal tax rate.

Select Board Member Geraghty MOVED that the Town VOTE (a) to Establish a Commercial Property Assessed Clean Energy ("C-PACE") District Pursuant to the Provisions of RSA 53-F (the "Act") for the Purpose of Financing Energy Conservation and Efficiency and Clean Energy Improvements; (2) to Adopt the Provision of the Act as is Authorized by RSA 53-F:2(II); (3) to Designate the Hanover Energy Efficiency and Clean Energy District as the Entire Area within the Municipality; (4) to Authorize the Town, Pursuant to RSA 53-F:3(IX), to Enter into a Written Agreement with the Jordan Institute, Inc., to Administer such a Program on its Behalf in Accordance with this Act; and (5) to Authorize the Town to Adopt any Rules, Procedures, Guidelines or Documents that are Necessary and Appropriate for the Creation, Implementation and Administration of the

Purposes of the Act and this Article. This Motion will have no Impact on the Municipal Tax Rate. The Motion was SECONDED from the Floor.

Select Board Member Geraghty explained that the background information on this Warrant Article can be found on page 36. He further explained that this would have no impact on the municipal tax rate and would be beneficial to promoting energy-efficiency projects.

Resident Kevin Cloutier asked if Number 5 of this Warrant Article Would affect zoning at all. Ms. Griffin replied that it would not and only relates to administration of the program.

Mr. Fischel stated that he is against this Warrant Article as he understands that the Town is “on-the-hook” if a property owner is to default on paying any amounts related to the improvements. Ms. Griffin stated that we are no way responsible for paying those amounts. We simply collect the payments and remit them to the Jordan Institute. The State and the Jordan Institute would seek payment from the property owners that default. She added that the program could eventually be extended to residential property owners and not just commercial property owners. Mr. Fischel stated that with this clarification, he does support the Warrant Article.

The Motion PASSED and Article Twenty-Seven was ADOPTED.

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

Select Board Member Geraghty MOVED to Transact any other Business that may Legally be Brought Before this Town Meeting. The Motion was SECONDED from the Floor.

The Motion PASSED and Article Twenty-Eight was ADOPTED.

Town Meeting ADJOURNED at 9:16 p.m.

Respectfully Submitted,

Elizabeth A. McClain
Town Clerk

Minutes prepared by Adriane Coutermarsh.