

## EXPLANATIONS OF THE WARRANT ARTICLES FOR THE 2020 HANOVER SCHOOL DISTRICT ANNUAL MEETING

**Please find updated information in the Notes section of Article 4,  
the projected Hanover Tax rate has been restated.**

**ARTICLE 1:** To elect by written ballot for one-year terms a moderator, a clerk, and a treasurer; and two School Board members for a three-year term.

*The positions noted above are voted on annually. The names of the candidates are listed at the end of the Hanover section of this annual report. Information on each position is available in the Superintendent's office.*

**ARTICLE 2:** Shall the District appropriate the sum of Forty Thousand Dollars (\$40,000) from the Don S. Bridgman Fund during the 2020-2021 fiscal year in order to afford additional advantages to the students of the District not provided by taxes?  
The School Board recommends this appropriation.

*In his will dated January 20, 1917, Don S. Bridgman left a portion of his estate to what is now the Hanover School District. These monies are known as the Bridgman Fund and are currently invested to provide a stream of income for years to come. The balance of the Fund as of June 30, 2019 was \$1,511,571. Expenditures from the fund are used for projects that would not be covered in the school's regular operating budget. Monies are taken only from the Bridgman Trust Fund, so this appropriation has no effect on the tax rate.*

**ARTICLE 3:** Shall the District determine and fix the salaries of School District Officers as follows: School Board members \$700 per member with Board Chair receiving an additional \$300; School District Treasurer \$1,888; School District Clerk \$150; and School District Moderator \$150, in accordance with RSA 194:10, and further raise and appropriate the sum of Seven Thousand, Three Hundred Eighty-Eight Dollars (\$7,388) to fund these salaries?  
The School Board recommends this appropriation.

*This article requests \$700 as the salary for School Board members, the same stipend as last year with an additional \$300 for the School Board Chair. The salaries for School District Clerk and Moderator remain unchanged, there is a small increase for the Treasurer position. This article's effect on the tax rate is negligible.*

**ARTICLE 4:** Shall the District raise and appropriate the amount of Fifteen Million, Six Hundred Ninety-Two Thousand, Seven Hundred Eighty-Two Dollars (\$15,692,782) for the support of schools, for the payment of salaries for teachers and other school employees, and School District officials and agents, and for the payment of the statutory obligations of the District for the 2020-2021 fiscal year? This sum does not include the funds appropriated in any of the other articles.  
The School Board recommends this appropriation.

*Over the past several years, the Hanover School Board has looked at the budget as being composed of six sub-components: the K-5 Ray School operating budget; out-of-district Special Education placement costs; capital expense; debt service; reserve transactions; and the 6<sup>th</sup> grade tuition payment. The direct operating portion of the budget Pre-K to 5th is projecting a \$286,829 increase due in large part to*

*union agreed wage increases, a 5% increase on the health rates and an increase of 3.53 FTE's in the support staff area of special education aides and tutor hours. Approximately 6.39% of the total general fund budget increase is attributable to one major factor: 6<sup>th</sup> grade regular education tuition expense paid to Dresden School District. This increase is due to a big difference between sixth grade class sizes from 2019-20 (projected at 61) to 2020-21 (projected at 91). The result of this 30-student difference is an increase of \$684,230. In addition to that increase, this year's 6th grade class gained 15 students over the summer, so an additional \$311,805 is also due. When compared to the 2019-20 budget year, the total tuition increase is \$935,555. There is a 6<sup>th</sup> Grade Tuition Reserve Fund we will be withdrawing revenue from in the amount of \$270,000 to offset a portion of this increase. The out-of-district placements for Special Education students is holding steady with a projected increase of \$44,500. Capital expenditures will have a modest increase of \$5,750 as we continue to work on upgrading systems in and around the building. The increase over 2019-20 budget (including Warrant Article #3) is \$1,107,010 or 7.57%. The total increase in budget assessment for this article and article #3 after applying projected revenues is \$700,395 or 5.16%; projected to add \$0.24 to the tax rate per \$1,000 (based on current valuations and blended state/local rates).*

**ARTICLE 5:** Shall the school district vote to appropriate the sum of \$100,000 to be added to the Hanover School District 6th Grade Tuition Fund previously established? This sum to come from June 30 fund balance available for transfer on July 1 in excess of \$200,000. (The first \$200,000 of the June 30 unreserved fund balance will be used to reduce the school tax assessment in 2020-21). No amount to be raised from taxation. The School Board recommends this appropriation.

*The 6<sup>th</sup> Grade Tuition Fund was created to help offset the variability component in the Ray School Budget due to class size changes as students transition from the Ray School 5<sup>th</sup> grade to 6<sup>th</sup> grade at the Richmond Middle School. The 2020-21 class is projected to increase by 30 students which is reflected in the budget increase in Article 3 and we will be withdrawing \$270,000 out of the fund. The projected balance of the fund at 6/30/20 is \$277,055, resulting in a small balance of \$7,055 after the 2020-21 withdrawal. So we are proposing an additional transfer to the reserve of up to \$100,000 to come solely from any year-end unassigned general fund balance. This article will not have an impact on the 2020-21 tax rate.*

**ARTICLE 6:** To transact any non-substantive business that may legally come before the discussion phase of this meeting.