

TOWN OF CANAAN
BUDGET COMMITTEE MEETING
October 2, 2008
APPROVED COPY
Canaan Fire Station

Members present: David McAlister - Chair, Denis Salvail, Dave Barney, Nathan Deleault, Eleanor Davis, Russell Lester, Shirley Packard, Craig Lawler, and Selectman Scott Borthwick. Also present were Town Administrator Michael Capone, Al Posnanski, Glenn Carey, Cindy Neily, Amy Thurber, Wally and Carol Medeiros, Selectmen Robert Reagan and Tim Lewis, and the minute taker; Christi Berube.

David McAlister called the meeting to order at 7:00 P.M. and took attendance.

Budget Review

Committee members reviewed the proposed 2009 budget, as presented on the budget worksheet dated September 9, 2008.

Library Budget

Cindy Neily distributed an updated copy of the 2008 budget worksheet and another library version of their budget request totaling \$115,874 for 2009. A page of information and statistics for 2008, dated October 1, 2008, was also distributed for review.

Cindy Neily explained that the salary and benefit costs will be determined by the Town's Board of Selectmen.

There was general explanation that the contracted services line item is funds for the IT contract to maintain and troubleshoot computer and software issues as they occur.

Amy Thurber noted that the following increases: the dues and subscriptions line item has been increased due to increased costs; the special programs line item has been increased in order to provide more guest speakers and events locally; and the education and conferences line item has been increased to provide more opportunity for staff professional development.

There was general explanation that the postage and printing line item has decreased since the newsletter is no longer published and since most patrons have been good about returning their books on time.

Craig Lawler asked whether the allocation for books could be reduced. Cindy Neily responded that this allocation amount has remained constant for years despite the fact that the cost for books has increased.

Craig Lawler asked whether volunteers could be recruited to complete the custodial needs at the library. Amy Thurber responded that many volunteers are utilized at the library but that no one ever offers to clean the toilet on a regular basis. Amy Thurber added that the

library staff already has a number of responsibilities that keeps them occupied for the entire day and that they are better utilized doing library tasks than cleaning tasks.

Craig Lawler asked whether the library has an endowment, receives grant funding, or is financially supported by the State of NH. The general response was that the library does not have an endowment and is not supported by the State of NH.

Cindy Neily summarized that various donations solicited and collected from private foundations and local residents have totaled approximately \$237,000 over the past two years for the renovation of the library building. These funds have been and will be used to replace windows, to meet Americans with Disabilities Act regulations regarding the children's space, and to renovate the basement level. David McAlister commended the library staff for their willingness and success to fundraise the necessary funds needed to repair a town building. Cindy Neily responded that the town library is an important space to provide in a community and that the library has received a huge level of support. Amy Thurber added that the library provides services and opportunities that residents should take advantage of, such as free computer access and high speed and wireless internet.

David McAlister also noted his appreciation for receiving the information and statistics handout since this is information that the Budget Committee never use to receive long ago but definitely helps in justifying the library's appropriation request.

Cindy Neily noted that the Brundage Foundation has contributed \$1,000 to the 2009 operating budget and another \$5,000 to the building renovation project.

Cindy Neily asked whether the Board of Selectmen will have decided on salary increases and benefits by the time the library budget is considered again by the Budget Committee. Scott Borthwick responded that the Board of Selectmen hopes to have their budget completed by October 16th, which is before the Budget Committee will deliberate on the library's budget.

Cindy Neily clarified that the Town of Dorchester did not contribute \$500 this year as they had last year.

There was general discussion that the Town of Grafton still refuses to contribute funds to Canaan's library despite the fact that thirteen percent of Canaan's library borrowers are Grafton residents. It was noted that the town of Grafton has their own public library. Amy Thurber noted that funds are not requested from the Town of Enfield since Enfield allows Canaan residents to borrow books from their library.

Recreation Budget

Wally Medeiros distributed a handout summarizing his 2009 proposed budget for parks and recreation.

Craig Lawler asked what properties are maintained by the recreation budget. Wally Medeiros responded the town common, the beach, and Williams Field.

Wally Medeiros explained that the participation fee for the summer programming is twenty-five dollars per week. Carol Medeiros added that one adult is needed for every three to four children per state law. Wally Medeiros verified that the summer program is self-supporting.

There was general question whether the lighting at the horseshoe pits is paid for by the Town of Canaan. Robert Reagan clarified that the Town of Canaan pays for the first \$1,000 in lighting bills and then the Williams Field Association is billed for the rest. Eleanor Davis noted that Gloria Koch has a breakdown of all the meter readings for electricity.

Transfer Station and Solid Waste Budget

Glenn Carey explained that his budget proposal for 2009 is level funded except for small salary increases.

Craig Lawler asked why the salary increase for the manager is higher than the other transfer station employees. Glenn Carey responded that he factored an equal salary increase for every transfer station employee, including himself, and that the observed difference in allocation amounts is due to the reduction in hours at the transfer station.

Glenn Carey explained that the supplies line item includes funds for baling wire, trash bags, and work gloves, for example.

Glenn Carey clarified that he returned \$1,500 from the site improvement line item when the default budget was implemented for this year. Glenn Carey explained that funds allocated in this line item will only be used for immediate site needs in order to keep the transfer station operational. There was general discussion that the Capital Improvement Plan includes the funds needed to repair the buildings and improve the site of the transfer station. Glenn Carey estimated that \$50,000 would be needed in order to complete all of the repairs and improvements.

Shirley Packard asked what were the cost avoidance revenue and general revenue totals. Glenn Carey responded that approximately \$15,000 is collected from each.

Nathan Deleault requested an explanation of the last year's approved warrant article. The general response was that twenty-five percent of the revenue is deposited in a special reserve fund, which requires voter approval to expend these funds on the transfer station. The balance of the revenue goes to the general fund.

Denis Salvail asked what the fees total from bulky furniture, appliances, etc. Glenn Carey responded that he does not recall an actual number. Eleanor Davis added that she has a report from Gloria Koch that states an approximate figure of \$21,000 for total revenues collected so far this year from the transfer station.

Nathan Deleault asked whether any consideration has been given to charging residents per solid waste weight or per bag placed in solid waste. The general response was yes but that the option is not considered feasible at this time.

Advertising and Regional Budget

David McAlister explained that he has copies of the responses that have been received from all the regional agencies requesting funds from the town's 2009 budget. David McAlister summarized the budget requests as follows: Grafton County Senior Citizens Council - \$8,000; Advanced Transit - \$7,600; West Central Services - \$3,300; ACORN - \$500; Goose Pond Lake Association - \$2,000; Canaan Street Lake Association - \$1,000; Mascoma Visiting Nurses - \$15,250; CASA - \$500; Mascoma Health Initiative - \$4,489; and Tri-County CAP Inc. - \$3,648. There was general clarification that this is the first year that Tri-County CAP Inc. has requested funding from the Town of Canaan. This agency assists residents with fuel assistance, homeless outreach, cold weather programs, and transitional housing.

Russell Lester thanked Michael Capone for drafting and sending out the letters to the regional agencies.

Eleanor Davis noted that many of these regional agencies are already supported by the county tax dollars.

Dave Barney noted that a set of standardized questions has been mailed to the regional agencies in the past with the letter so that board members have a better understanding of how these agencies are funded.

Dave Barney summarized his memo dated October 1, 2008, regarding Goose Pond's request for \$2,000 from the 2009 town budget.

Nathan Deleault asked whether the boat launch on Goose Pond is state owned and maintained. Dave Barney responded yes.

Dave Barney explained that a fee to help prevent invasive species introduction and spread is included in the state's boat registration fees. Denis Salvail asked how these funds are used or distributed. Dave Barney responded that he expects that the funds are used for research. It was also suggested that the state probably makes funds available through grant applications.

Ambulance Budget

Jim Rancore and Carol Goodman distributed a handout detailing their projected 2009 budget for the Canaan F.A.S.T., Inc.

Carol Goodman explained that the request for \$55,000 is level-funded from last year and that \$5,000 was returned when this year's default budget was implemented.

Carol Goodman explained that the Canaan F.A.S.T. squad provides mutual aid for the Towns of Grafton and Enfield. Carol Goodman also clarified that Canaan F.A.S.T. squad only services half of the Town of Dorchester and that the Towns of Wentworth and Warren services the other half.

Carol Goodman summarized that there are federal emergency management grant funds available and that she has been meeting with Chief Bellion and Chief Frank regarding a renovation of the existing fire station in order to accommodate all three emergency services. Carol Goodman added that she has also discussed these preliminary ideas with the Town Administrator. Carol Goodman explained that the Canaan F.A.S.T. squad has contributed their own funds to initiate a study and preliminary site plans. Carol Goodman summarized that the proposed facility would include bunkrooms, meeting rooms, conference space, office space, and emergency showers for hazardous material exposure, for example. Carol Goodman commented that moving the police department into a renovated emergency services building would possibly free up office space for the town office.

Eleanor Davis commented that the site of the existing fire station is property owned by the Town of Canaan. Eleanor Davis expressed concern that grant funding could have implications that could impact the town's property and existing town garage. There was general concern and surprise expressed by various committee members that the Budget Committee, the Board of Selectmen, and the Capital Improvement Plan Committee are not involved in these preliminary discussions.

Water and Sewer Budget

There was general consensus to reschedule the review of the water and sewer budget until the water and sewer personnel are present.

Personnel Administration Budget

Michael Capone summarized that the allocation for the health insurance line item is not known yet since the Board of Selectmen is considering a variety of options in hopes of lowering the town's premium costs. There was general clarification that the Town of Canaan provides one hundred percent coverage for the employees and ninety-five percent for their spouses and/or families. Spouses and family plans for the police officers are covered ninety-three percent by the Town of Canaan.

Nathan Deleault asked whether health savings accounts are being considered. Michael Capone responded that health savings accounts have been considered but that insurance agents have cautioned him that the town's employees should not "bank" all their health insurance coverage in this one plan option.

Craig Lawler requested a breakdown of the health insurance costs for the employees versus the employees' spouses and families. Michael Capone responded that he can provide the information but that some time will be needed in order to complete the task.

Insurance Liability Budget

Michael Capone explained that the insurance liability premium was increased \$1,800 this year since he found several items that had not been appropriately included, such as a fire engine. Michael Capone clarified that insurance liability covers all vehicles, equipment [i.e. yolk rake], and buildings. Michael Capone explained that he included some extra funds in next year's allocation since the insurance liability is a three year contract, which includes a clause that the premium could increase within that three year period.

Debt Service Budget

Michael Capone handed out copies of page 45 of the 2008 Town Annual Report. Michael Capone explained that the debt service allocation for 2009 was estimated based on the 2008 debt service information provided in the annual report. Michael Capone noted that several capital items will be paid off and drop from the list after this year.

CIP Budget

There was no review of this budget at this time since there was no CIP report to review.

Dave Barney excused himself from the meeting at 8:55 P.M.

Approval of Minutes

Committee members reviewed draft copies of the September 18, 2008, minutes.

MOTION by Russell Lester and seconded by David McAlister to accept the minutes dated September 18, 2008, as corrected.

There was general note that "\$275" should be corrected to "\$2.75" on page four.

Nathan Deleault requested that the figure of \$1,000 be added to the minutes as the approximate cost that Chief Frank quoted for overtime pay regarding the SWAT team.

VOTE: 8 YES 0 NO 1 ABSENT [Dave Barney]

Russell Lester offered to make these corrections to the minutes. There was general committee consensus for Russell Lester to make these corrections.

Chairman's Report

David McAlister summarized that no one has contacted him or Russell Lester regarding the vacated Budget Committee position.

Selectmen's Report

Scott Borthwick informed committee members that the new well drilled at the water and sewer plant is working out well and is producing twenty gallons per minutes at six hundred feet. An eight hour pump test is scheduled for next Tuesday. Funds for this drilling will be taken from the emergency water and sewer budget.

Scott Borthwick noted that the paperwork on the force main at the transfer station was all approved and completed.

Scott Borthwick explained that \$1,850 was recovered from equipment that was sold through a sealed bid process. A power jack, the aluminum docks, and a heater were sold. A heater is still available at the minimum bid.

Scott Borthwick informed committee members that the State of NH has condemned the one lane bridge on North Lary Road. Six residents, including four year round residents, are affected by this closure. Barricades have been set up. Scott Borthwick summarized that the town is waiting for state approval to build a new bridge. Scott Borthwick explained that it is the steel girders that need replacing and that the total repair cost is estimated between \$25,000 and \$30,000.

Public Comment

Eleanor Davis noted that the garage doors at Cozy Corners appear to be working fine and that committee members should consider this point when deliberating on the recreation budget.

MOTION by Russell Lester and seconded by Denis Salvail to adjourn the meeting at 9:05 P.M.

VOTE: Unanimous in the affirmative