

**TOWN OF CANAAN
BUDGET COMMITTEE MEETING
April 16, 2009
Canaan Fire Station
Revised and Approved Copy**

Members present: Eleanor Davis; Russell Lester; Denis Salvail; John Bergeron; Al Posnanski; Dave Barney; Nathan Deleault; Committee Chair David McAlister; and Selectman Scott Borthwick.

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

David McAlister asked committee members to review their contact information on the handout and let him or Russell know of any needed corrections.

There was general introduction of the new and continuing committee members.

Election of Officers

MOTION by Denis Salvail and seconded by Nathan Deleault to elect David McAlister, as Budget Committee Chair.

VOTE: Unanimous

MOTION by Russell Lester and seconded by David McAlister to elect Eleanor Davis, as Budget Committee Vice Chair

VOTE: Unanimous

MOTION David McAlister and seconded by Eleanor Davis to elect Russell Lester as Budget Committee Secretary.

VOTE: Unanimous

Approval of Minutes

There was general discussion and consensus that draft copies of minutes will be emailed to committee members who have email addresses. Otherwise, committee members should pick up their copies from their committee folders at the Town Office.

Russell Lester noted that the tape recordings of each Budget Committee meeting can be listened to at the Town Office.

MOTION by David McAlister and seconded by Russell Lester to approve the draft copy of minutes dated January 15, 2009, as corrected.

The misspelling of Russell Lester's name was corrected on page four.

Eleanor Davis suggested that “police association” should be changed to “police union” on page five.

Dave Barney corrected the misspelling of Tom Hudgens’ name on page one.

VOTE: 7 YES 0 NO 2 ABSTAIN [A. Posnanski and J. Bergeron]

MOTION by Dave Barney and seconded by David McAlister to approve the draft copy of minutes dated January 31, 2009, as corrected.

Russell Lester corrected the misspelling of “vice”.

Eleanor Davis noted that David McAlister was not present for this meeting.

VOTE: 6 YES 0 NO 3 ABSTAIN [D. McAlister, A. Posnanski, and J. Bergeron]

Review of the Revenues and Expenditures Reports

Committee members received and reviewed a new format of the Revenues Report and the Expenditures Report, dated April 13, 2009. There was general consensus that the new format is well-liked by committee members.

Al Posnanski asked why there are no figures listed under the anticipated revenues column. The general response was that the breakdown of the MS-7 figures has not been completed yet but that the Business Administrator should have this done by the next meeting in June.

David McAlister noted that the appropriation in the software support line item was for a one-time expenditure.

It was noted that there is only one election this year although there may be another school vote in June regarding the teachers’ salaries since the warrant article regarding one special meeting was approved. Scott Borthwick noted that there was a bill at the State House recently that would make special town meetings easier to schedule in regards to stimulus funds. Scott Borthwick explained that the stimulus funds are actually loans for fifty percent of the project cost and a twenty year bond that would require voter approval. There was general discussion that the Board of Selectmen is not interested in using stimulus funds for the existing water and sewer issues since the debt would last longer than the current compliance standards.

Eleanor Davis noted that the Town of Canaan still has \$218,000 in water system notes until 2019, \$45,000 in sewer system notes until 2011, another \$105,000 in sewer system notes until 2015, and debt from the Goose Pond Bridge that should be paid off until more funds are borrowed. Eleanor Davis added that the town’s water users should not be subsidizing the town’s sewer users.

Russell Lester clarified that the water and sewer debts mentioned are from three grants that were utilized to provide a temporary “Band-Aid” to the water and sewer issues many years ago.

Scott Borthwick clarified that the \$28,000 to the Grafton County prosecutor is a one-time payment for the year. Scott Borthwick added that the town’s attorney is currently working on three cases; one regarding illegal hookups on Depot Street, one regarding Clark Hill gravel, and one regarding an illegal purchase.

Scott Borthwick clarified that the postage will be reimbursed from the individual departments.

Scott Borthwick summarized that the Police Chief will be contacted regarding the high usage of overtime funds so early in the year. Scott Borthwick added that the Board of Selectmen has opted to not sign the \$2,600 purchase order for the SWAT team dues at this time. Scott Borthwick added that the Police Chief is meeting with the Board of Selectmen on April 28th.

Scott Borthwick informed committee members that Keith Bergeron has resigned from the Police Department effective in September due to his decision to relocate to Alaska. Scott Borthwick noted that there is a hiring freeze at this time since the Board of Selectmen is waiting for the State budget to pass. The shared revenue of 40,000 will be received and the amount of the two Block Grant Funds is unknown at this time, as well as, the rooms and meals tax. Scott Borthwick noted that the Town of Canaan is liable for approximately \$2,500 for state retirement contributions.

Eleanor Davis asked what will happen with the School Resource Officer position since Keith Bergeron is leaving. Scott Borthwick responded that this needs to be determined although the Police Chief and the school district wish to continue the position.

Al Posnanski asked what the motivation was to initially hire a SRO. The general response was that a grant was accepted that obligated the Town of Canaan to three years after the grant funds were exhausted. It was noted that the school district provides seventy-five percent of the SRO’s annual salary for nine months.

It was noted that the ambulance and dispatch services are paid quarterly.

It was also noted that the mechanic has purchased items in bulk in order to receive better pricing.

Scott Borthwick informed committee members that the rent and utilities assistance is the highest that Nelson Therriault has ever seen it due to the large number of lost jobs.

Al Posnanski requested that someone please show him where the revenues from the Town Transfer Station Facility Revenue Fund are listed in the town’s accounting. David

McAlister offered to pose that question to the town office staff and report back. Eleanor Davis read the original warrant article that the fund was established under RSA 31:95:C as a special revenue fund that is separate from the general fund and requires a public vote. Eleanor Davis added that the Police Detail Fund was established under RSA 31:95:H as a revolving fund, which does not require a public vote

Denis Salvail commented that all questions should be posed to the Budget Committee Chair so that numerous committee members are not in the town office and consuming the time of the office staff.

Denis Salvail asked how the collection of the tax revenues is going. Scott Borthwick responded that the last manifest showed approximately \$600,000 available and that the collected revenues are ahead of what was projected but that the Board of Selectmen has been quite conservative with spending. Scott Borthwick added that the Business Administrator has again negotiated payment deferment to the school district by submitting two payments during the month of June.

Calendar Review

Russell Lester noted that the Planning Board meets on the second and fourth Thursdays of each month so the Budget Committee should maintain a schedule of the first and third Thursdays for future meeting dates. There was general consensus to schedule the following dates for Budget Committee meetings: June 18th; September 3rd and 17th; October 1st, 15th, and 29th; November 5th and 19th; and December 3rd and 17th.

Russell Lester offered to draft and distribute a calendar to committee members and to post the calendar on the website.

Russell Lester presented a receipt for fifty stapled photocopies and requested reimbursement of the \$51.50 that he spent on handouts for the Deliberative Session.

There was general discussion that the printing should have been completed at the town office but that there was a time constraint with getting the handouts completed on time.

MOTION by Dave Barney and seconded by John Bergeron to authorize the \$51.50 reimbursement to Russell Lester from the Budget Committee line item and to note that the Town of Canaan will provide this printed material for future Deliberative Sessions.

VOTE: Unanimous

Selectmen's Report

There were no additional comments provided at this time.

Eleanor Davis asked whether the Board of Selectmen has given any consideration to the Business Administrator's salary since he has done a great job. Eleanor Davis added that the Business Administrator position is entitled to a retirement benefit but that Michael Capone has opted to not receive it. Scott Borthwick responded that the Business

Administrator agreed to not take a salary increase just as the other employees who have done a great job are not receiving salary increases.

Dave Barney commented that the Budget Committee should schedule some time during the summer months to review topics such as the water and sewer systems and property exemptions, for example. David McAlister responded that informal informational sessions can be set up at any time without an official meeting or minute taker.

Scott Borthwick summarized that Wright Pierce has been asked to provide an estimate of what would be needed in order to increase the sewer capacity. The existing system was designed for 55,000 gallons per day.

Dave Barney asked whether there has been any follow-up regarding the request to increase the number of water wells. Scott Borthwick responded that the Board of Selectmen is addressing the water blending proposal at this time but that the DES has proposed a new well behind the Transfer Station.

Denis Salvail asked what the status is regarding the check for groundwater leaks in the system. Scott Borthwick responded that the town has a group providing some “free labor” and that a “smoke test” should be scheduled soon. Scott Borthwick added that two sump pumps and the Tower House have been diverted from the town’s system, which may have increased some capacity.

Al Posnanski suggested that a Water and Sewer Commission be considered.

There was general discussion that increasing business merchants in the Town of Canaan will require additional sewer and water hookups.

MOTION by Russell Lester and seconded by David McAlister to adjourn the meeting at 8:34 P.M.

VOTE: Unanimous