

**TOWN OF CANAAN
BUDGET COMMITTEE MEETING
November 19, 2009
Canaan Fire Station
Final Copy**

Members present: Chair David McAlister; Eleanor Davis; Dave Barney; Russell Lester; John Bergeron; Nathan Deleault; Al Posnanski; Craig Lawler; and Selectman Scott Borthwick. Also present were Michael Capone, Phil and Patricia Carter, Nelson Therriault, Cindy Neily, Representative Charles Townsend, Beth Wolf, Karen Wolk, Jan Stryker of Visiting Nurses Association, Peggy O'Neil of WISE, and Joie Finley Morris of TRI-CAP.

David McAlister called the meeting to order at 7:01 P.M. and took attendance.

The Budget Committee voted to approve the following proposed department budgets for 2010 after brief discussion and simple clarifying questions were answered.

Welfare Budget: 01-4441 and 01-4445

MOTION by Scott Borthwick and seconded by Dave Barney to approve a total 2010 budget of \$65,421 for welfare, as recommended by the Board of Selectmen on the 2010 budget worksheet.

Nelson Therriault summarized statistics of the increasing number of individuals who have turned to the town for assistance over the past three years. Residency requirements, the work assistance program, the voucher system, and tax liens were also discussed.

VOTE: Unanimous in the affirmative

Cemetery Budget: 01-4195.10

MOTION by Russell Lester and seconded by Dave Barney to approve a total 2010 budget of \$26,175 for the cemetery, as recommended by the Board of Selectmen on the 2010 budget worksheet.

There was no vote taken on this motion at this time.

Phil Carter requested that one dollar be added to the equipment line item.

AMENDED MOTION by Dave Barney and seconded by Russell Lester to add one dollar to the equipment line item for the 2010 cemetery budget.

VOTE: Unanimous in the affirmative

MOTION by Dave Barney and seconded by Russell Lester to approve a total 2010 budget of \$26,176 for the cemetery.

Eleanor Davis expressed concern that there is too much budgeted in the full time salary line item if the hourly rate is \$15.86 for twenty hours per week and 26 weeks and that too little is budgeted in the part time line item if the hourly rate is \$10.00 per hour for forty hours and 26 weeks.

VOTE: 8 YES 0 NO 1 ABSTAIN [E. Davis]

Recreation Budget: 01-4520

MOTION by Craig Lawler and seconded by Russell Lester to approve a total 2010 budget of \$3,753 for recreation, as recommended by the Board of Selectmen on the 2010 budget worksheet.

Scott Borthwick summarized that the Board of Selectmen has appointed six individuals to reestablish the Recreation Committee, a recreation program, and the future operating budgets.

VOTE: Unanimous in the affirmative

Transfer Station Budget: 01-4323.10 and 01-4324

MOTION by Scott Borthwick and seconded by Craig Lawler to approve a total 2010 budget of \$215,860 for the transfer station, as recommended by the Board of Selectmen on the 2010 budget worksheet.

There was general discussion regarding the change to a dual stream recycling program and the possible change to a single stream recycling program in the future in order to encourage more recycling. Scott Borthwick explained that the Board of Selectmen chose not to invest funds in a storage facility, as was recommended by the Transfer Station Committee, since the revenue from recyclables can vary significantly. Al Posnanski explained that the dual stream recycling program does add additional cost for hauling and that the committee had simply recommended a deferment of the dual stream recycling program until the single stream recycling is available and as long as the current recycling program was earning revenues for the town. Michael Capone noted that the dual stream recycling program will reduce labor and utility costs. It was noted that the contract with the Town of Orange expires next March and that program changes may impact either the cost or participation of Orange in the future.

VOTE: Unanimous in the affirmative

Library Budget: 01-4551.20

MOTION by Russell Lester and seconded by Dave Barney to approve a total 2010 contribution of \$107,124 for the library, as recommended by the Board of Selectmen on the 2010 budget worksheet.

There was no vote taken on this motion at this time.

Beth Wolf noted that Gloria Koch has adjusted the salary, benefits, FICA, and retirement line items, which has increased their proposed budget request to \$109,899. Michael Capone responded that his copy from Gloria Koch with the adjusted salary and benefits totals \$109,810.

AMENDED MOTION by Dave Barney and seconded by Russell Lester to revise the total 2010 contribution from \$107,124 to \$109,810 for the library.

Eleanor Davis suggested that the budgeting format for the library should be consistent with the other department budgets in regards to benefit and utility costs.

VOTE: 8 YES 0 NO 1 ABSTAIN [C. Lawler]

MOTION by Russell Lester and seconded by Dave Barney to approve a total 2010 contribution of \$109,810 for the library.

VOTE: 7 YES 0 NO 2 ABSTAIN [C. Lawler and E. Davis]

Advertising and Regional Budget:

MOTION by Dave Barney and seconded by John Bergeron to approve a total 2010 budget of 24,550 for the advertising and regional budget.

Dave Barney distributed a handout and explained that his proposed figure of \$24,550 is approximately ninety percent of what was approved by the voters last year. Dave Barney noted that West Central Services was not included since they are submitting a separate warrant article.

Eleanor Davis commented that tax payers already contribute funding for these social services through their county taxes and provided specific examples. Eleanor Davis also noted that the town provides a building, plowing services, and property tax exemptions for social services.

Peggy O'Neil, Joie Finley Morris, Charles Townsend, Jan Stryker, Dave Barney of the Goose Pond Lake Association, and John Bergeron of the Canaan Lake Association provided comments regarding their multiple funding sources, their losses in government or private funding, their operating budgets, their direct contribution to Canaan residents, and the overall decrease in calls for assistance to the town due to their available services.

Several committee members commented that individual tax payers should be able to pick the non-profit organizations that they wish to donate to and that the Budget Committee should not be authorized to donate tax payer dollars.

Scott Borthwick noted that the use of petition warrant articles was suggested at a previous meeting. Scott Borthwick added that revenue sharing from the State of NH has been eliminated, which was approximately \$40,000 for the Town of Canaan. Scott Borthwick summarized that the towns are being forced to cut back on their operating budgets.

John Bergeron commented that the Board of Selectmen is not obligated to provide funds to the advertising and regional line items even if the voters approve a total budget figure that includes allocations in the advertising and regional line items. John Bergeron summarized that a petition warrant articles are the best way to secure funds from the towns.

Russell Lester commented that the increase in the monthly payment to the school district budget has impacted what the town can provide in future operating budgets.

VOTE: 2 YES [D. Barney and J. Bergeron] **7 NO**

Al Posnanski suggested that funds for the two lake associations should be supported since the lakes are an asset to the town.

MOTION by David McAlister and seconded by John Bergeron to fund \$1,800 for the Goose Pond Lake Association and \$1,800 for the Canaan Lake Association in the 2010 budget.

There was no vote taken on this motion at this time.

MOTION by John Bergeron and seconded by Dave Barney to add one dollar to all of the other advertising and regional line items in order to allow flexibility to the Board of Selectmen.

VOTE: 2 YES [J. Bergeron and D. Barney] **7 NO**

MOTION by David McAlister and seconded by John Bergeron to fund \$1,800 for the Goose Pond Lake Association and \$1,800 for the Canaan Lake Association in the 2010 budget.

VOTE: 5 YES **4 NO** [C. Lawler, R. Lester, S. Borthwick, and E. Davis]

Water Budget: 03-4331, 03-4332, and 03-4335

MOTION by Craig Lawler and seconded by Russell Lester to approve a total 2010 budget of \$82,182 for the water budget, as recommended by the Board of Selectmen on the 2010 budget worksheet.

There was no vote taken on this motion at this time.

Eleanor Davis expressed concern that she needs a better understanding of the revenues since she believes that the water users are subsidizing the sewer users.

MOTION by Eleanor Davis and seconded by Dave Barney to table this vote and receive an estimated revenue report before the Budget Committee votes on the water budget.

Michael Capone summarized the administrative efforts toward improving the town's water and sewer systems and resolving tax payers concerns.

Russell Lester commented that the Budget Committee should not be concerned with the details as long as the administration can confirm that the water and sewer budgets are not being supported by tax payer dollars.

VOTE: 5 YES 3 NO [R. Lester, C. Lawler, S. Borthwick] **1 ABSTAIN** [J. Bergeron]

Denis Salvail arrived at this time.

Sewer Budget: 03-4326.10 and 03-4327

MOTION by Russell Lester and seconded by Craig Lawler to approve a total 2010 budget of \$94,643 for the sewer budget, as recommended by the Board of Selectmen on the 2010 budget worksheet.

There was no vote taken on this motion at this time.

MOTION by Eleanor Davis and seconded by David McAlister to table this vote and receive an estimated revenue report before the Budget Committee votes on the sewer budget.

VOTE: 7 YES 3 NO [R. Lester, C. Lawler, and S. Borthwick]

Michael Capone requested direction as to what specific information would the committee members like to review for estimated revenues. There was general discussion that the estimated revenues would be more adequately calculated in January after the close of the 2009 year. John Bergeron suggested a review of the 2007 or 2008 totals or any twelve consecutive months that is convenient to access from a previous audit report. There was general discussion that review of the estimated revenues would not be possible until the December 17th meeting.

MOTION by Nathan Deleault and seconded by Russell Lester to reconsider the tabling of the votes for the water and sewer budgets.

VOTE: Unanimous in the affirmative

MOTION by Dave Barney and seconded by Nathan Deleault to approve \$176,825 for the water and sewer budgets, as recommended by the Board of Selectmen on the 2010 budget worksheet.

VOTE: 9 YES 1 NO [E. Davis]

Scott Borthwick expressed concern that there is a conflict of interest when representatives of the two lake associations have voted to approve a 2010 budget appropriation for their associations when none of the other advertising and regional line items were supported. John Bergeron agreed and suggested that petition warrant articles should be submitted for the two lake associations. There was general discussion that protection of the town's water bodies is a necessary maintenance issue and not a donation to a charitable organization.

MOTION by Eleanor Davis and seconded by David McAlister to move the approved \$3,600 appropriation for the lake associations from the advertising and regional budget to the recreation budget and for the specific line items be identified at a later time.

VOTE: 9 YES 0 NO 1 ABSTAIN [C. Lawler]

Recreation Budget:

MOTION by Scott Borthwick and seconded by David McAlister to approve a revised total 2010 budget of \$7,353 for the recreation budget and for the specific line items to be identified at a later time.

VOTE: 8 YES 2 NO [D. Salvail and C. Lawler]

Approval of Minutes:

Committee members reviewed draft copies of the November 5th minutes.

MOTION by David McAlister and seconded by Russell Lester to accept the November 5, 2009 minutes, as presented.

There were no corrections suggested at this time.

VOTE: 8 YES 0 NO 2 ABSTAIN [D. Barney and R. Lester]

Chairmen's Report and Selectmen's Report:

No reports were provided at this time.

Next Meeting:

The next meeting is scheduled on December 3rd at 7 P.M.

Public Comment:

Karen Wolk commented that the voters who approved the use of available stimulus funds for water system needs did not understand that the Board Selectmen can choose to not utilize the stimulus funds and to use the water and sewer surplus funds instead.

Michael Capone noted that the NH retirement line item in the police department budget needs to be revised to \$38,365 and that the total police department budget should be revised to \$485,098.

MOTION by Craig Lawler and seconded by Dave Barney to adjourn the meeting at 9:26 P.M.

VOTE: Unanimous in the affirmative