

**TOWN OF CANAAN
BUDGET COMMITTEE MEETING
September 16, 2010
Canaan Fire Station
Final Copy**

Members present: David McAlister; Dave Barney; Eleanor Davis; Denis Salvail; Russell Lester; Nathan Deleault; John Bergeron; Karen Wolk; and Scott Borthwick. Also present were Town Administrator Mike Samson, Vicky McAlister, and Al Posnanski.

David McAlister called the meeting to order at 6:58 P.M. and took attendance. The new town administrator, Mike Samson, was introduced to the committee members.

Mike Samson distributed and summarized his memo regarding the preparation process and the goals for the 2011 budget.

Vicky McAlister summarized the tax collector, tax clerk, and election budgets, as presented on the budget worksheet. Vicky McAlister explained that the software support line item includes monies to allow residents to pay their taxes, registrations, and dog tag fees online using a credit card. Vicky McAlister corrected that the \$215 included in the equipment line item is not needed in the budget this year but that the line item should remain open with one dollar.

Mike Samson clarified that the proposed 2011 salaries for the town positions do include a three percent increase but that the 2010 salaries listed on the budget worksheet are incorrect due to the fifty-three pay days that existed in 2010.

Vicky McAlister noted that the cost for a basic laptop with Microsoft Word, Microsoft Excel, and Internet access should be added to the proposed budget for the Supervisors of the Checklist. Mike Samson offered to add \$150 to the data processing budget for a laptop from WinCycle.

Mike Samson noted that he added a three percent increase to the town paid positions but that he does not know what the Board of Selectmen's decision will be regarding salary increases for next year. It was suggested that a three percent increase should be added to the Budget Committee's budget for the minute taker. There was general discussion that the town employees have not received a salary increase in two years.

Eleanor Davis suggested that the meeting schedule should be reconsidered so that there is additional time available to review the Selectmen's budget with the department heads, if needed.

Dave Barney asked how a five percent cut in current expenditures was determined and how a ten percent budget cut was achieved. Mike Samson explained that the Board of Selectmen requested a five percent cut in operating costs. However, he could only find a one percent savings in the operating budget after the third party increases and salary increases were factored into the budget, as shown on the bottom line of the proposed operating budget. Mike Samson explained that the overall savings to the general fund was achieved by not budgeting for a warrant article regarding the USDA loans. Mike Samson distributed copies and summarized a graph of the proposed budget

decreases. Mike Samson noted that he has not budgeted capital reserve funds for the reappraisal in five years. Scott Borthwick commented that the five percent savings in the operating budget has essentially been achieved by placing the unspent budget funds from last year into contingency line items. Scott Borthwick noted that increases are expected in the county and school taxes.

Mike Samson summarized his proposed budgeting for 2011 for the executive, town administrator, town meeting, financial administration, budget committee, assessing, treasurer, trustees of the trust funds, data processing, legal, public administration, and planning board budgets at this time. It was noted that the Board of Selectmen have not reviewed or commented on this proposed budget yet.

It was suggested that page numbers and a report date would be helpful on future copies of this budget worksheet.

Mike Samson explained that he has moved the monies for Sharon Duffy's position from the executive budget to the data processing budget since her position relates to the Internet.

Mike Samson summarized that he is requesting a small amount of monies in the town administrator budget for the training, seminars, dues, and subscriptions line items for fees and course work needed to maintain his law license.

Mike Samson noted that the town needs to change the audit company since the previous auditor is no longer servicing municipals.

It was suggested that the budget committee salary line item should be better defined as administrative support.

Mike Samson recommended that the capital reserve fund should supplement the total \$56,000 cost for the contract appraiser. There was general discussion of the advantages of visiting a quarter of the properties every year and updating the town analysis on the fifth year versus the disadvantages of completing one full assessment every five years.

John Bergeron suggested that a PDF version of the tax maps should be available online for public review. Mike Samson responded that he has already included this need in the data processing budget, as well as, the cost for a new server to enable this convenience.

Mike Samson explained that the monies in the data processing software, hardware & support line item is the total cost of having two people, Alan Treadwell and Sharon Duffy, run the town's computer system including web service, computer management of the town office, and the fire, police, and highway departments.

Russell Lester noted that one computer is needed in the town office to allow public access to the recordings of these meetings.

Mike Samson provided the following breakdown of the data processing upgrades line item: \$1,100 for web equipment, \$11,900 for a police server replacement; \$600 for a computer at the fire

department; and \$420 for UPS. Mike Samson summarized that he will be asking the Board of Selectmen to possibly use any budget surplus from this year toward software replacement at the town office and highway department, a server in the town office, and voice over Internet equipment.

Mike Samson summarized that he has removed funds from the legal budget and placed it in a separate contingency line item. Mike Samson noted that the prosecutor cost has decreased for next year but there is the thought of implementing ordinances in the future, which could again increase the prosecutor cost. Scott Borthwick noted that ordinances would generate revenue to offset the cost.

Mike Samson explained that he has talked with Primex and has expressed the Town's preference to maintain the same level of service at the same cost for health insurance. Eleanor Davis commented that the budgeted amount for health insurance may not be enough if a current employee resigns and a new employee with dependents is hired as a replacement. Mike Samson responded that the contingency fund would be accessed in this scenario.

There was general explanation that a commercial grade lawn tractor with a zero turn radius mower will be purchased with this year's budget funds in order to shorten the amount of time that Tom Guillette spends mowing lawns so that more projects can be completed on buildings next year. Mike Samson distributed and summarized Tom Guillette's list of proposed building projects totaling approximately \$32,000, which includes the painting the meeting house or the museum and the main entrance switch at the library/town office building.

Eleanor Davis excused herself from the meeting at this time.

There was general discussion that the Board of Selectmen is considering the replacement of the generator for emergency services or purchasing several small generators. David McAlister suggested that the town office should also have a generator. Automatic generators instead of manual generators were recommended.

Mike Samson explained that he has included additional funds in the government buildings budget for part time labor to help complete the backlog of construction projects that have existed for several years.

Approval of Minutes:

Committee members reviewed draft copies of the June 17, 2010 minutes.

MOTION by David McAlister and seconded by Dave Barney to accept the June 17, 2010 minutes, with corrections.

There was general consensus that the two headings for the Selectmen's Report and Chairman's Report should be switched. It was also noted that the 2009 date needs correcting.

The motion was unanimously approved.

Chairman's Report

David McAlister commented that the next meeting is scheduled on September 30, 2010 at 7 P.M. at the fire station.

David McAlister commented that he commends the Road Agent's and Board of Selectmen's decision to remove the pavement from the Old Turnpike Road. Scott Borthwick responded that not all of the residents on that side of town are pleased with the decision and that a petition may be circulating.

Selectman's Report:

Scott Borthwick commented that he is pleased with how well Mike Samson has transitioned into the town administrator position and is working on next year's budget with the department heads. Scott Borthwick added that the River Road Bridge is finally operational after seven years of planning and construction.

There was a general reminder regarding the upcoming workshops sponsored by LGC that are available for committee members to attend.

MOTION by Russell Lester and seconded by Dave Barney to adjourn the meeting at 9:04 P.M.

The motion was unanimously approved.