

**TOWN OF CANAAN
BUDGET COMMITTEE MEETING
October 20, 2011
Canaan Fire Station
Final Copy**

Members present: Chair Eleanor Davis; Dave Barney; Al Posnanski; John Bergeron; Denis Salvail; and Scott Borthwick. Also present was Town Administrator Mike Samson and Steve Ward.

Eleanor Davis called the meeting to order at 7:01 P.M. and took attendance. Eleanor Davis noted that committee members should have received copies of the 2012 Capital Improvement Plan.

Steve Ward summarized what the 2012 plan includes for vehicles, equipment, building and facilities needs, and road infrastructure. There was also general review of anticipated needs for years after 2012, as well as, an explanation of how and why the capital improvement plan is created and utilized. General discussion also ensued about appropriate uses of capital reserve funds, contingency line items, and replacement cycles for vehicles.

Debt Service: 01-4711, 01-4721, and 01-4723

Mike Samson summarized the proposed debt service budget for 2012.

Personnel Administration: 01-4155.10

Mike Samson summarized several changes to the proposed budget for personnel administration. Mike Samson explained that he has added an additional \$10,000 in the personnel administration budget since the town is currently seeking a new contract for a health care provider and a total cost will not be known until November.

Water and Sewer: 03-4326, 03-4327, 03-4331, 03-4332, and 03-4335

Mike Samson explained that the water and sewer budgets are essentially based on the actual expenditures since 2008 plus the cost for any current service contracts. Mike Samson explained what current revenues are being collected from the sewer and water users and what revenues will be collected with the new proposed rates, which will provide a fairer pricing structure for resident users versus larger users such as businesses and owners of apartment buildings. Mike Samson summarized how these new rates will actually impact each user's cost for water and sewer.

Mike Samson summarized the condition of the existing water system and estimated replacement costs, as well as, the challenges at hand to create a fairer pricing structure and measure the actual water usage from each user.

Other Business

There was general review of the Budget Committee meeting schedule for November, December, and January, the Public Hearing on January 12th, and the Deliberative Session date of February 4th.

Mike Samson summarized the anticipated revenues for 2012.

Eleanor Davis requested an accounting of the revolving funds. Mike Samson responded that these funds will be posted online for public review in the near future.

There was general consensus to postpone the review and approval of minutes until the next meeting.

MOTION by Scott Borthwick and seconded by Denis Salvail to adjourn the meeting at 8:39 P.M.

VOTE: Unanimous in the affirmative