

Canaan Budget Committee Meeting & Public Hearing
Thursday, January 10, 2013
Canaan Fire Station, Canaan, NH

Attendees: Budget Committee members: Dave Barney, John Bergeron, William Crowther, Ellie Davis, Dave McAlister, Al Posnanski, Martha Pusey, Denis Salvail, Karen Wolk, Scott Borthwick (Select Board rep); Town administrator Michael Samson; 7 Public Attendees: Alan Ricand, Robert Reagan, Wayne Morrison, Sean Murphy, George Shadowens, Nelson Therriault, Patrick Andrew; recorded by Roger Lohr.

Final Minutes

1. Call to Order

Chair Ellie Davis called the Public Hearing to order at 7:00 PM and introduced the members of the Canaan Budget Committee.

2. Proposed 2013 Canaan Budget

Various budget documents were distributed to the members of the public. The Canaan budget document and Warrant Articles can be found on line at the Canaan town website.

Town Administrator Samson gave an overview of the Proposed 2013 Canaan Budget, which is projected to increase by \$98,000 but will not impact the town tax rate. He reviewed the mandatory and discretionary cost increases such as road reconstruction projects, insurance premiums, employee replacements and so on. Additionally, Mr. Samson reviewed town revenues and the undesignated fund balance from a current and historical perspective. He stated that the town policy is to maintain roughly one million dollars in the undesignated fund balance.

The Budget Committee members reviewed the line item sections announcing the amount of each section recommended by the committee and explaining any significant variances from the previous year's budget. The most significant budget variances compared to the previous budget included:

EX Administrative support increased due to a reallocation of data processing;
TA Town Administrator salary increase;
TC/TX Salary increase in salary and fees;
EL Decrease because there were no expenses associated with a national election;

AS Increase in Appraiser contract;
DP Decrease due to reallocation to Administrative Support;
LE Decrease due to lower projected county expenses;
PA Increase due to health insurance cost and for new employees;
GB Increase due to retirement, salaries and compliance with state labor laws;
INS Increase in cost of insurance;

PD Retirement and new equipment;
AM Cost of contracted services;

FD Decrease in projected expenses;
HW Decrease in miscellaneous and increase in salaries, retirement and fuel;
HW Increase in road reconstruction projects;

TS Increase in hauling and salaries; revenue from recyclables are put in a revolving fund that is drawn upon for town budget expenses;

REC It was stated that the recreation revenue was put in a revolving fund and drawn upon for recreation expenses, which saved on town budget expenses;

LIB Replacement of books to compensate for previous year expense limitation;

DS The debt service continues to annually decrease.

The revolving fund detail (recreation, police outside duty, recyclables, etc.) is not on the budget document but will be in the town report in the Treasurer's section. The total operating budget of \$3,088,521 is about \$98,000 above last year's budget.

2. Warrant Articles

Chair Ellie Davis reviewed the Warrant Articles and whether they were recommended by the Select Board and/or the Budget Committee, respectively. It was stated that if the proposed budget is defeated the default budget from last year would go into effect but it will be adjusted on certain line items such as contracts and the election. The CIP Committee recommendations for capital reserve activity is on the town website. The overfunding of sewer and underfunding of water will be adjusted in 2014. The ten percent document and MS27 document were also cited at the meeting. The MS27 appeared to have an error in the totals and the town administrator will double check the document. The town report will take a few weeks to prepare and will be sent to the printer in early February. The Deliberative Session is scheduled for February 2.

It was stated that the Sewer and Water accounts were not significantly impacted in the bottom line by the installation of new meters and hiring of an employee to replace contracted labor.

Appreciation was expressed by the committee chair to Town Administrator Samson and the committee members for work on the budget. The public hearing was closed by Chair Davis at 8:13 PM.

Dave McAlister a motion, which was seconded by John Bergeron to approve the Canaan Budget Committee meeting minutes of January 9, 2013 as submitted. The motion passed unanimously.

3. Adjournment

Dave McAlister made a motion which was seconded by Scott Borthwick to adjourn the meeting. The motion passed unanimously. The meeting was adjourned at 8:18 PM.