

Canaan Budget Committee Meeting
Thursday, December 18, 2014
Canaan Fire Station, Canaan, NH

Attendees: Budget Committee members: John Bergeron, Scott Borthwick, William Crowther, Ellie Davis, Al Posnanski, Martha Pusey, Dennis Salvail, Philip Smith Jr., Sadie Wells. Public: Sam Frank. Budget Committee members not in attendance: Patty Duszynski. Canaan Town Administer Mike Samson.

Final Minutes

1. Call to Order

Committee Chair Ellie Davis called the meeting of the Canaan Budget Committee to order at 7:03 PM and took attendance.

2. CIP

Major changes include truck replacement for the Highway Department that requires an increase of \$20,000 per year to the CIP account to cover these large acquisitions. The purpose of CIP is to spread the acquisition of large equipment or other purchases over a number of years. The CIP Committee has also expressed interest in replacing a number of town buildings. Administrator Samson does not think the town has the ability to replace the buildings without substantial increase in revenues. Samson reviewed how the CIP process works.

Samson also reviewed the recycling program costs and the associated transportation and fees. Alternative delivery locations are being considered. The town will need to acquire a trailer and an additional compacter for this operation but will save money.

Money is being allocated to bridge replacement in town. There is nothing scheduled for buildings this year. There was some discussion about private properties in Canaan that will be sold for back taxes.

3. Health Insurance

Health insurance premiums went up more than anticipated but it will be \$46,000 less than budgeted last year. It includes coverage for a new full time police officer. It is \$20,000 higher than was spent last year.

4. Budget Changes

Administrator Samson reviewed the changes to the budget. There was a minor change in auditing and a change in the FICA and telephone. Postage and mileage reimbursement were decreased. Advertising will increase to advertise to fill some town positions.

The attorney fees for the utility lawsuit are about \$40,000 higher than normal but it will be cut back after the litigation, which would bring savings to the town. The fire department equipment was increased for the air packs. These one-time budget increases included \$50,000 on fire equipment and \$40,000 legal and \$10,000 on employee related costs. There were some modifications on the highway department in uniforms and fuel

(not decreased for the upcoming year despite lower fuel costs currently). There were increases in bridges and street lighting.

The bottom line on budget changes was \$320,000 including \$100,000 of one-time items. The user fees in septage are down because of unoccupied properties and people are using less. There was discussion about changing water/sewer rates if needed. The budget increase is 3.34%. The town is awaiting some of the organizations associated with the warrant articles to officially contact the town to request funding.

There is more going into the capital reserves and less coming out of the reserves to make purchases. Votes are required to put in or take out of the reserves. Administrator Samson reviewed the proposed reserve transfers.

Samson spoke about a change in the emergency management personnel (Chief Sam Frank) pay rate. The town entered negotiations with the police officers but it is felt that it will not impact the budget.

5. Motion on Budget

Al Posnanski raised an issue about wording in the budget document with regard to the transfer station. There was a discussion about the town using public and private contractors and a \$30,000 private savings account for outside duty from the police department.

Posnanski also proposed an increase in the select board individual pay by \$200 for a total of \$600. Chair Davis explained how to accomplish this increase.

Al Posnanski made a motion seconded by John Bergeron to increase the select board pay by \$200 each (\$600 total) in account #4130-10-130 and FICA by \$46 in account #4130-10-225.

The proposed select board increase was added to the approval of the Canaan Budget for 2015 for a total expense of \$3,321,551. The motion passed 7-2 (Davis, Borthwick).

6. Revenues

Administrator Samson reviewed the budget revenue line items.

Ellie Davis made a motion seconded by Scott Borthwick to approve the Canaan Budget for 2015 for a total revenue of \$3,635,425 as outlined in the town administrator's spread sheet. The motion passed unanimously.

7. Other Budget Discussion

The Committee will have the default budget and warrant articles to finalize at the next meeting on Tuesday, January 13 at 7:00 PM following the Select Board meeting. The public hearing will be held on Thursday, January 15 at 7:30 PM.

The Committee members will do the same budget section presentations as last year at the town meeting.

8. Adjournment

John Bergeron made a motion which was seconded by Al Posmanski to adjourn the meeting. The motion passed unanimously. The meeting was adjourned at 8:43 PM.

Upcoming meetings: On Tuesday, January 13, 2015 the Budget Committee will meet to vote on the Warrant Articles and then on Thursday, January 15, 2015 the Budget Committee will hold a public hearing.