

Canaan Budget Committee Meeting
Wednesday, January 15, 2014
Canaan Fire Station, Canaan, NH

Attendees: Budget Committee members: John Bergeron; Scott Borthwick, William Crowther, Ellie Davis, Patty Duszynski, Al Posnanski, Martha Pusey, Denis Salvail, Sadie Wells; Town administrator Michael Samson; recorded by Roger Lohr.

Approved Minutes

1. Call to Order

Chair Ellie Davis called the meeting to order at 7:30 PM.

Various budget documents were distributed to the committee members. The 10% rule was cited. Chair Davis announced that the January 16 meeting is scheduled for 7:00 PM and it will be started on time. Assignments for the public hearing were distributed previously.

There are 3 seats for three-year terms that will be up including Bill Crowther, Martha Pusey, and Al Posnanski while Sadie Wells, who was appointed to fill a seat on the committee could run for two years.

Another issue was the calculation error in the operating budget in the debt service. The correct number should have been \$1,126 less so the budget total should be \$3,210,919, which should be voted on by the Budget Committee.

Scott Borthwick made a motion which was seconded by John Bergeron to accept \$3,210,919 as anticipated revenue in the town of Canaan for 2014. The motion passed with 7 in favor and 2 opposed (Davis, Salvail).

2. Warrant Articles

Town Administrator Mike Samson explained the Warrant Articles with regard to tax impacts Articles 13 and 14 will have tax increase impacts (1% tax increase combined). He reviewed the semantics of the tax impact on tax bills and on taxes for a \$200,000 home.

Article 2, which is the Canaan budget was voted on by the Budget Committee in the previous motion. Articles 3-12 were recommended by the Budget Committee 10 Yes and 0 No. Articles 13-15 were not voted on by the Budget Committee.

Article 16 regarding legal cost associated with appeals by the NH Electric Cooperative and Liberty Utilities to avoid Canaan taxes was read to the Budget Committee and it was explained that the cost of the legal issue will have no tax impact. The Budget Committee voted 9 Yes and 0 No to Recommend Article 16.

The petitioned articles included Articles 17-23 and the committee voted on each of them.

Article 17 Mascoma Health Initiative services: the Budget Committee Does Not Recommend 3 Yes and 6 No.

Article 18 Grafton County Senior Citizens Council: the Budget Committee Does Not Recommend 4 Yes and 5 No.

Article 19 Advance Transit: the Budget Committee Does Not Recommend 3 Yes and 6 No.

Article 20 Visiting Nurse Association & Hospice: the Budget Committee Does Not Recommend 3 Yes and 5 No and 1 abstention.

Article 21 West Central Behavioral Health: the Budget Committee Does Not Recommend 2 Yes and 7 No.

Article 22 WISE: the Budget Committee Does Not Recommend 4 Yes and 5 No.

Article 23 Tri-County Cap: the Budget Committee Does Not Recommend 2 Yes and 5 No and 2 abstentions.

Chair Davis reviewed the Committee member assignments to present the Canaan budget for the public hearing. Town Administrator Mike Samson will provide support with the detailed budget information, if needed so questions at the Public Hearing could be diverted to the Town Administrator. It was suggested that names be avoided in the presentations and that instead the position could be named. Some comments were made regarding the debt service and water/sewer, and a few other line items.

A document outlining the Committee assignments for the Public Hearing was distributed and Town Administrator Mike Samson invited Committee members to contact him if they need help with their assignment. It was also stated that questions at the Public Hearing could be diverted to the Town Administrator.

Town Administrator Mike Samson distributed the Canaan MS 7 budget document and explained the document. This document should be brought to the Public Hearing as it has the revenue accounting on it. Mr. Samson discussed the town hiring to replace open positions.

Chair Davis tabled handling the last meeting minutes. The MS 7 document was signed by the Budget Committee members.

3. Adjournment

Scott Borthwick made a motion which was seconded by Denis Salvail to adjourn the meeting. The motion passed unanimously. The meeting was adjourned at 8:41 PM.

Canaan Budget Committee Meeting & Public Hearing
Thursday, January 16, 2014
Canaan Fire Station, Canaan, NH

Attendees: Budget Committee members: John Bergeron, William Crowther, Ellie Davis, Patty Duszynski, Al Posnanski, Martha Pusey, Denis Salvail, Scott Borthwick, Sadie Wells; Town administrator Michael Samson; 2 public attendees: Selectman Bob Reagan, Donna Borthwick; recorded by Roger Lohr.

Approved 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.

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.

Borthwick reviewed executive, town administration, town clerk, and election expenses.

Davis reviewed printing, bookkeeping, budget committee, assessments, treasurer, and trustee expenses.

Duszynski reviewed legal, personnel, and government building expenses.

Bergeron reviewed cemetery, insurance, general government, police, ambulance, fire department, building inspector, and emergency management expenses.

Salvail reviewed mechanic, road agent, highway, bridge inspection, and street lighting expense.

Posnanski reviewed transfer station, health, and welfare expenses.

Pusey reviewed recreation, library, cultural, patriotic, and conservation accounts.

Wells reviewed debt service, capital equipment, and improvements.

Crowther reviewed sewer and water accounts.

The proposed 2014 Canaan operating budget is \$3,210,919 and if it is rejected by voters the default budget is \$3,128,314. The MS7 document, which reports town revenues, appropriations and the warrant articles was cited. Chair Davis reviewed the warrant

articles and corresponding fund amounts on the articles and whether the Select Board and Budget Committee recommended voting for the articles.

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 at 7:20 PM.

2. Approval of Minutes

Denis Salvail made a motion, which was seconded by Martha Pusey to approve the Canaan Budget Committee meeting minutes of December 5, 2013 as submitted.

Amendments were suggested and Al Posnanski made a motion, which was seconded by John Bergeron to approve the Canaan Budget Committee meeting minutes of December 5, 2013 as amended. The motion passed unanimously. The amendments included inserting the remainder of Article 8 and spelling of Denis Salvail.

The Budget Committee meeting minutes of January 15, 2014 were distributed and reviewed by the committee members.

Scott Borthwick made a motion, which was seconded by Denis Salvail to approve the Canaan Budget Committee meeting minutes of January 15, 2014 as submitted. The motion was passed unanimously.

3. Other

Recorder Roger Lohr was asked to send the corrected meeting minutes to Bill Crowther, Budget Committee secretary.

Chair Davis announced the open committee seats and that a tentative Budget Committee meeting to elect committee officers has been scheduled for April 3. The town's Deliberative Session will be held on February 1 at 1:00 PM at the Canaan Elementary School Gym and the Budget Committee members should attend that meeting.

4. Adjournment

Scott Borthwick made a motion which was seconded by John Bergeron to adjourn the meeting. The motion passed unanimously. The meeting was adjourned at 7:44 PM.

Canaan Budget Committee Organizational Meeting
Thursday, April 3, 2014
Canaan Fire Station, Canaan, NH

Attendees: Budget Committee members: Ellie Davis, Patty Duszynski, Al Posnanski, Martha Pusey, Denis Salvail, Sadie Wells; Budget Committee members not in attendance: William Crowther, John Bergeron, Scott Borthwick. Public: Philip Smith Jr.; recorded by Roger Lohr.

Final Minutes

1. Call to Order

Ellie Davis called the meeting of the Canaan Budget Committee to order at 7:02 PM and offered condolences to the family of Dave Barney, former committee member who recently passed away. A letter of application, which was submitted to the committee to fill Dave Barney's seat on the committee was read.

Ellie Davis made a motion to nominate Philip Smith Jr. to serve on the Canaan Budget Committee, which was seconded by Denis Salvail. The motion passed unanimously.

2. Election of Officers

Ellie Davis opened nominations for Budget Committee Chair and Al Posnanski nominated Ellie Davis as Budget Committee Chair. There being no other nominations the committee voted and elected Ellie Davis as Budget Committee Chair unanimously.

Chair Ellie Davis then opened nominations for vice chair and Sadie Wells nominated John Bergeron as Budget Committee Vice Chair. The nomination was seconded by Denis Salvail. There being no other nominations the committee voted and elected John Bergeron as Budget Committee Vice Chair unanimously.

Chair Ellie Davis then opened nominations for Budget Committee Secretary and Sadie Wells nominated Bill Crowther as Budget Committee Secretary. The nomination was seconded by Denis Salvail. There being no other nominations the committee voted and elected Bill Crowther as Budget Committee Secretary unanimously.

3. Budget Committee Calendar

The Committee members discussed the meeting schedule for the upcoming year. The next meetings will tentatively be held on Thursday, May 15 and June 19. Other Thursday meetings will be held on September 4 and 18, October 2 and 16, November 6 and 20, and December 4 and 18. On Wednesday, January 14, 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. The Deliberative Session will be decided by the Selectboard.

Chair Davis asked committee members to contact her if they are unable to attend any of the upcoming Budget Committee meetings.

4. Approval of Meeting Minutes

Martha Pusey made a motion, which was seconded by Denis Salvail to approve the Canaan Budget Committee meeting minutes of January 16, 2014 as submitted. The motion passed unanimously.

5. Other Discussion

A comment was made regarding the Police Revolving fund and how large it has grown since it was created. The Budget Committee does not control this fund, but can comment about it.

6. Adjournment

Sadie Wells made a motion which was seconded by Al Posnanski to adjourn the meeting. The motion passed unanimously. The meeting was adjourned at 7:30 PM.

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

Attendees: Budget Committee members: John Bergeron, William Crowther, Ellie Davis, , Al Posnanski, , Denis Salvail, Philip Smith Jr., Sadie Wells; Budget Committee members not in attendance: Scott Borthwick, Patty Duszynski, Martha Pusey. Public attendees: Dave McAlister, Phil Carter. Canaan Town Administer Mike Samson.; recorded by Roger Lohr.

Final Minutes

1. Call to Order

Committee Chair Ellie Davis called the meeting of the Canaan Budget Committee to order at 7:00 PM

2. Cemetery

Phil Carter, Cemetery Trustee distributed a document for the cemetery entitled 2014 Budget vs Actual and reviewed the details. The \$2,500 increase in contracted services is to continue the GPS/name mapping of the town cemeteries. There is currently \$9,600 remaining in the cemetery account for the remainder of the year. Work has been accomplished to remove some trees and next year work can begin on stones.

3. 2015 Proposed Budget Overview

Town Administrator Mike Samson distributed three documents including a narrative of the significant budget variances, the 2014 Revenue Budget, and the 2014 Budget vs Actual for town expenses.

The 2014 budget is projected to be \$100,000 higher, which is a 3% increase above last year's budget but there is no increase in the tax rate expected. The expense increase and fully funding the capital reserves will be offset by anticipated non tax revenues. It is also projected at this time that the 2016 budget will also be covered without a tax rate increase.

Significant savings are projected on health insurance (lower premiums) of about \$53,000; swapping two part time police department employees (hiring one full time policeman) \$26,000; debt service, which has been paid off \$15,000; and capital equipment paid last year \$88,000.

Town Administrator Samson then reviewed budget items that were in variance more than \$2,500 above last year's budget. The key aspects of this list included an increase in the town administrator salary \$6,000; town attorney for the utility case \$40,000; additional full time policeman \$52,000; retirement required by state law \$13,000, air tanks for the fire department half of a two year payment schedule \$43,200; Sinking Fund for Bridges to be replaced in 6-8 years \$35,000.

All payroll will be increased by the July CPI of 2% and the AFCSME contract is not yet negotiated. Increases for insurances and fuel are expected to go up 5-7%. The full time policeman is needed for investigation and prosecution courtroom activity and part time policemen are unable to do this work. This police type of activity has increased 100% and new activity in this area is about 1,000 hours per year.

Hauling of recycled materials was referenced and it was felt that the markets are more stable and the town could save by hauling recyclables. The salt used for icy roads was discussed. The town mechanic is over budget but that entailed mostly repair work. The highway department electricity expense is high during the winter and the town will figure out an alternative way to keep vehicle engines heated. The recreation program is shared with another town and it has had many participants so it will continue to be supported. A report about recreation will be brought to the Budget Committee.

The Revenue Budget was explained in detail and it is at \$3.169 million to date, which is \$147,000 above budget. This does not include the growth on taxes, which also continues to increase. Administrator Samson then reviewed the significant variances in the revenue budget.

The Motor Vehicle tax is anticipating an additional \$20,000; the highway block grant will be \$9,000 more; there was a mistake in the Water Pollution Project which will net a reimbursement of an additional \$24,000; FEMA funds from the flooding \$38,540; other insurance refunds \$23,000; Lien sale premiums are from delinquent tax interest and penalties \$20,000; and cemetery reimbursement \$3,000. The total of the extra revenue added to the undesignated fund balance is \$146,554. The 2015 budgeted revenue is \$3.659 million and there will be an anticipated carry over of about \$126,000.

Administrator Samson then reviewed the Water and Sewer account. The town is in compliance with water conservation regulations and it was reported that consumption has declined by 15% (empty homes and fewer user fees received). The budget will be scaled back and \$50,000 will be sequestered to account for the decline of water use and leave a positive balance in the account. The budget was cut by \$17,000; the revenue from septage was increased \$8-12,000; and the appropriation for coverage was increased with \$30,000 in reserve.

Additionally, it was stated that a part time staff person is contracted in the budget to cover weekend and vacation periods. There will be no increase in water/sewer rates.

4. Other Discussion

Town Administrator Mike Samson and Committee Chair Ellie Davis discussed the upcoming committee agendas. The Committee meeting schedule for the upcoming year was reviewed: October 2 and 16, November 6 and 20, and December 4 and 18. On Wednesday, January 14, 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.

5. Adjournment

Al Posnanski made a motion which was seconded by Denis Salvail to adjourn the meeting. The motion passed unanimously. The meeting was adjourned at 9:00 PM.

Canaan Budget Committee Meeting
Thursday, October 2, 2014
Canaan Fire Station, Canaan, NH

Attendees: Budget Committee members: John Bergeron, Scott Borthwick, Ellie Davis, Al Posnanski, Denis Salvail, Philip Smith Jr., Sadie Wells; Budget Committee members not in attendance: William Crowther, Patty Duszynski, Martha Pusey. Public attendees: Bill Bellion, Sam Frank, Joe Frazier, Vicky McAlister, Nelson Therriault, Matt Wilson. Canaan Town Administer Mike Samson; recorded by Roger Lohr.

Final Minutes

1. Call to Order

Committee Chair Ellie Davis called the meeting of the Canaan Budget Committee to order at 7:00 PM

2. Town Clerk

Town Clerk Vicky McAlister reviewed the budget in her area. There are increases for postage due to the certified lien mailings and the staff salaries are increasing 2% across the board in Canaan.

3. Fire Department

Chief Bill Bellion spoke about the Fire Department budget, which is dependent on the number of calls made. He is anticipating more calls in the coming year. The most significant increase in expenses is for the SCBA tanks but they are reapplying for FEMA grants to cover the costs. There will be an increase of \$2,000 in the chief's salary to compensate for the excessive time involved in the position.

4. Police Department

Chief Sam Frank discussed the proposed budget for the Police Department citing that the net will be no increase in the bottom line. He distributed a document that included charts and statistics on the number of arrests, calls, felonies, and a comparison with other police departments in the region. An additional full time officer is needed. He stated that the load of the police department is a challenge with the minimal staff level to accomplish the paperwork and court time as well as increase exposure in the community.

Town Administrator Samson said the Select Board asked for four conditions in exchange for the police department's additional full time officer including that he be fully certified, that the roster be reduced by two part time people, that 1,000 hours be cut from the part time employees, and that no additional cruiser be acquired. The chief stated that the part time staff includes the police department secretary. The committee also discussed police retirement funding issues. The chief salary will be increased in the budget to bring it more in line with other similar positions in the state.

5. Welfare

Nelson Therriault reviewed the Canaan welfare efforts reporting 41 cases that include 9 new cases. There are budget increases for fuel and rent as more people are in need of help and the cost of rent is higher.

6. Treasurer

Treasurer Joe Frazier has made access to the town accounting more accessible and next year's budget is very similar to this year. The accounting for the transfer station was discussed. The Treasurer was invited to attend the Canaan Budget Committee meetings.

7. Other Budget Discussion

Town Administrator Mike Samson reviewed the revolving accounts including the private duty and recreation department. In general, the private duty account offsets between income and expense. The recreation account has self funding programs and generates about \$5,000 annually for the Canaan Hall activities, which is used 2-3 times per week. There is currently \$22,000 in the recreation account, which is projected to end the year with a balance of about \$10,000. There is a need to increase the recreation department by \$4-5,000 per year.

Samson then reviewed the remaining proposed 2015 budget accounts that had not been looked at:

TA: The Town Administrator will receive a \$6,000 salary increase to bring the salary in line with other similar administrators in the state.

FA: There will be a reduction in the auditor services.

DP: There is a \$2,000 increase for computer repair support and software updates.

LE: The amount for legal court cases is increased by \$40,000 primarily for the electric case and there's a \$2,000 increase for the prosecutor expense.

PA: There is a significant \$53,000 reduction in health insurance and a workers compensation increase of \$3,000.

GB: The Government Buildings involves the town museum, library, exteriors of the police and fire stations and so on. There's a \$2,000 decrease in water and sewer. The inspection expenses are higher.

INS: An increase of \$3,600 for insurance premiums was cited.

GG: General Government has increases in office supplies, telephone/Internet expense, and advertising.

EM: Emergency Management will be looked at later in the budget process.

The Bridge Inspection will be restored and Street Lighting is up \$2,000.

TS: The Transfer Station has a reduction in hauling and an increase in part time staff and fuel costs. Al Posnanski was invited to work with the town administrator to align the semantics in the budget account documents.

REC: The Recreation Department director budget salary was increased by \$2,500.

The Committee discussed the Goose Pond funds that are used for education and the portable toilet. The Capital Reserves changes are based on the CIP Report.

The Water Server budget is reduced by \$17,000 and there's a salary increase for a part time employee for \$2,500. Capital Improvements for the sewer is reduced by \$12,000 while inspections are reduced by \$2,600 and contracted services are reduced by \$2,000.

Samson also cited the user fee increase \$125,000 and the septage increase \$19,500. The plan is to increase the water/sewer capital reserves without increase the fees.

Scott Borthwick reported that the Select Board will set the tax rate at the end of the month. The school budget was reported with a \$1.20 increase in the tax rate without including the school renovation project costs.

8. Adjournment

Denis Salvail made a motion which was seconded by Sadie Wells to adjourn the meeting. The motion passed unanimously. The meeting was adjourned at 9:06 PM.

Upcoming meetings: October 16, November 6 and 20, and December 4 and 18. On Wednesday, January 14, 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.

Canaan Budget Committee Meeting
Thursday, October 16, 2014
Canaan Fire Station, Canaan, NH

Attendees: Budget Committee members: John Bergeron, William Crowther, Ellie Davis, Patty Duszynski, Al Posnanski, Martha Pusey, Philip Smith Jr., Sadie Wells; Budget Committee members not in attendance: Scott Borthwick, Denis Salvail. Public attendees: Cindy Neily, Bob Scott, Bayne Stone, Amy Thurber, 1 other public attendee. Canaan Town Administer Mike Samson; recorded by Roger Lohr.

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. Highway Department

Bob Scott reviewed the budget in the Highway Department. There's a \$3,200 budget increase for uniforms and this was recommended by the Canaan select board. The additional uniforms are needed for additional staff. Electricity use is going to be investigated. The committee also discussed salt and fuel levels.

3. Mechanic

Bayne Stone spoke about the budget increase of \$5,500 for petroleum products and some expenses have been diverted to the Highway Department.

4. Trust Funds

Cindy Neily discussed the Davis Trust, where a resolution is near to apply it to water systems at the cemeteries. There is \$93,000 in the Davis Trust. Additionally, the Capital Reserves, which are at about \$1.1 million (\$400,000 for the town and \$700,000 for the school district and scholarships) will be moved from the NH Public Deposit Investment Pool to Charter Trust. It is projected that moving the funds will earn ten times the interest for the town. A warrant article will be placed for the town to approve the payment of Charter Trust management fees out of the Capital Reserve Fund.

5. Library

Amy Thurber of the Library distributed two documents including the library budget and Canaan Town Library Information and Statistics for 2014. Besides the salary increase in the budget, there is an increase for contracted services, which includes software. The Friends of the Library group funding will be used to complete bookcases and the acquisition of a file server and computer. Town Administrator Mike Samson said he would work with the library staff to incorporate such purchases in the CIP. Ms. Thurber also acknowledged the Friends group support and mentioned the museum passes and genealogy subscription that are also contributed by the Friends. She then reviewed the Library statistics showing the number of users, Internet use, and registered borrowers from Canaan and surrounding towns.

6. Planning Board

John Bergeron of the Planning Board commented that this budget is identical to last year. He stated that the Master Plan work, which is due in 2016 is one third complete.

7. Other Budget Discussion

The Committee considered approving documents from previous meetings minutes.

A motion was made by John Bergeron and seconded by Al Posnanski to approve the Canaan Budget Committee meeting minutes of October 2, 2014 as submitted and amended. The motion passed with 5 in favor and three abstentions (Crowther, Duszynski, Pusey). The amendments included the spelling of Therriault in the roster and item 5 and changing the fifth sentence in item 4 so that it ends after the word "needed."

A motion was made by Sadie Wells and seconded by Phillip Smith Jr. to approve the Canaan Budget Committee meeting minutes of September 18, 2014 as submitted. The motion passed with 6 in favor and two abstentions (Duszynski, Pusey).

A motion was made by Al Posnanski and seconded by Sadie Wells to approve the Canaan Budget Committee meeting minutes of April 3, 2014 as submitted. The motion passed with 5 in favor and three abstentions (Bergeron, Crowther, Smith).

Town Administrator Mike Samson commented that the newest town department head employees review two years of previous budgets looking at all the line items and considering unexpected expenses. He also reported that he will teach the budget process, which he entitled "rational budgeting" to three residents including Joe Frazier, Steve Ward, and Russell. It was suggested that a female resident be included in the budget process course and one suggestion was Cindy Neily.

8. Adjournment

John Bergeron made a motion which was seconded by Sadie Wells to adjourn the meeting. The motion passed unanimously. The meeting was adjourned at 8:12 PM.

Upcoming meetings: November 6 and 20, and December 4 and 18. On Wednesday, January 14, 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.

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 Posnanski 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.