

Canaan Budget Committee Meeting
Thursday, December 7, 2017
Canaan Fire Station, Canaan, NH

Attendees: Budget Committee members: John Bergeron, Ellie Davis, Jamie Jukosky, Al Posnanski, Mike Riese, Denis Salvail, Philip Smith Jr., Sadie Wells;
Town staff: Mike Samson. Committee members not attending: Patty Duszynski, Stephen Freese. Recorded by Roger Lohr.

Approved Minutes

1. Call to Order

Budget Committee Chair Ellie Davis called the Canaan Budget Committee meeting to order at 7:00 PM and took attendance.

2. Update on the Budget Expenses

Town Administrator Mike Samson reviewed the updates on the Canaan 2018 budget. Health insurance is expected to increase \$410,000. The Property and Liability Insurance will be \$58,469. There were corrections to Medicare and retirement. The Transfer Station budget now includes the contract with town of Orange and Samson reviewed details in the contract. The Transfer Station is up \$13,000 in revenue and \$8,000 in expenses so there is a net of \$5,000 associated with the Orange contract.

The overall expense budget has increased by \$98,000 and voters will be asked to approve \$3,569,000. Capital reserves for buildings will increase \$20-30,000 with reserves for the Highway Department getting a \$10,000 increase, Fire Department getting \$10,000 and Buildings getting \$15,000.

The social services will be about the same with a few agencies increasing requests. The overall budget increase is \$103,000. The tax rate will increase 1.8% while the tax base will increase by 2.8%.

The water and sewer department will increase the fees by 15% to raise about \$172,000 so that \$20-25,000 can be put aside for future capital needs. There are claims with worker compensation and there is a savings on unemployment which was reduced \$4,100. The Capital Reserve funds will increase significantly and staffing has been added for government buildings.

The budget is projected to be underspent by \$74,000 this year and there is a need to raise \$295,000 for capital reserves from either the surplus and/or excess revenue. If these unassigned balances do not cover the needs, then there would be taxes to cover it. Overall, the spending is less than 9 years ago.

Samson spoke about the storm and the related town spending. It is projected that the Federal government will cover 80% and the town will cover 20% of the emergency expenses associated with the storm and in total \$150,000 is expected to be reimbursed. This amount will be accepted by Canaan as unanticipated revenue and will likely be received next year.

3. Update on Budget Revenues

It is projected that the town will bring in more revenue than budgeted. Samson referenced the low level of delinquent taxes in Canaan, but there are an increasing amount of foreclosures. It is estimated that 2018 will see about \$88,000 more in revenue compared to 2017 and it is assumed that there will be 1% more in revenue based on new property taxes.

The projection for revenue is \$4,225,000 this year and Samson reviewed efforts regarding foreclosures. There was discussion of town accounting, the town audit, DRA interpretations of various issues, and how reporting is handled.

The next Budget Committee meeting on December 21st will be to review warrant articles and the default budget. The Budget Committee meetings where the committee members will vote are on January 10 and 11th. Chair Davis stated that the DRA wants the committee to vote on a line-by-line budget.

4. Minutes Approval

Sadie Wells made a motion which was seconded by Denis Salvail to approve the November 2, 2017 Canaan Budget Committee meeting minutes as submitted and amended. The motion passed 7-0-1 (Davis abstained). The changes included the spelling of the mechanic Marlar and some typos.

5. Adjournment

Denis Salvail made a motion which was seconded by Sadie Wells to adjourn at 8:10 PM. The motion passed 8-0-0.
