Members present: Chair Eleanor Davis; David McAlister; Dave Barney; Al Posnanski; Karen Wolk; Denis Salvail; John Bergeron; and Scott Borthwick. Also present was Town Administrator Mike Samson. Members absent: Bill Crowther and Martha Pusey.

Eleanor Davis called the meeting to order at 7:02 P.M. and took attendance.

Approval of Minutes
Committee members reviewed draft minutes dated June 16, 2011.

MOTION by Dave Barney and seconded by David McAlister to accept the minutes dated June 16, 2011, as amended.

Dave Barney suggested adding the word “normally” as follows in the first paragraph on page two: “It was noted that candidates have been difficult to find or retain in the past and that the minutes have “normally” been available in time for approval at the next scheduled meeting.”

Dave Barney suggested adding the word “strongly” as follows in the paragraph on page three: “It was “strongly” suggested that committee members should have a better understanding of the water and sewer systems.”

The motion was approved in the affirmative. Eleanor Davis abstained from the vote since she was absent from the June 16th meeting.

Other Business
Dave Barney informed committee members that he has volunteered to serve on the school district’s Budget Committee and that one other Canaan representative is needed for this committee.

Review of Expenditures and Revenues
Updated copies of the Budget versus Actual Expenses report and the Revenues report were distributed. Mike Samson noted that approximately forty-five percent of the year has passed so forty-five percent was used as the baseline during the last Selectmen’s review for possible over-expenditure within the operating budget. Mike Samson added that fixed payment schedules for specific bills do not always coincide with this specific method used for reviewing the budget.

Al Posnanski requested an explanation of the undesignated fund balance. General explanation ensued, as well as, an explanation of the contingency funds and the capital reserve funds.
Dave Barney asked when the funds for the lake associations will be distributed. Scott Borthwick responded that a written request for the funds has been submitted to the Board of Selectmen in the past. Scott Borthwick added that existing cash flow should enable payment at this time.

David McAlister asked what the three hundred dollar expense is in the bridge inspection line item. Mike Samson responded that the expense is actually a reimbursement of State funds that was mistakenly received from the State for rental of the temporary bridge on River Road.

Mike Samson noted specific over-expenditures in the existing operating budget and explained the circumstances for the overexpenditures or the adjustment that should help to alleviate the overexpenditures.

Mike Samson summarized budget cuts and maintenance or repair items that have been contracted or scheduled for completion this year within the government buildings budget.

Mike Samson also summarized revenue shortfalls and anticipated revenues.

General discussion ensued regarding possible changes to the operations manual at the transfer station.

Mike Samson noted that a new contract with the police officers will need to be negotiated next year and that a new vendor for health insurance will be needed for next year.

**Meeting Schedule**

Committee members reviewed the proposed meeting schedule for the upcoming budget review process starting in September. Eleanor Davis offered to set and email agendas to committee members, as needed.

**Selectmen’s Report**

Scott Borthwick informed committee members that the Board of Selectmen is currently in the process of permitting the expansion of the sewer system.

Scott Borthwick summarized that a major leak in the town’s water system has been identified and repaired after a private land owner repeatedly complained of increasingly saturated soils on his property. Scott Borthwick clarified that a public hearing will be scheduled in the future once there is a proposal for updated water and sewer rates.

Scott Borthwick noted that several public hearings have been scheduled to discuss the possible elimination of various street lights and the possibility of posting advertisements at Williams Field to help fund possible future needs, such as the recreation program or the renovation of the playground.

Scott Borthwick suggested an organized tour of the water plant.
Next Meeting
Eleanor Davis commented that the next meeting is scheduled on September 15th.

MOTION by Denis Salvail and seconded by David McAlister to adjourn the meeting at 7:30 P.M.

The motion was unanimously approved in the affirmative