

**Budget Meeting January 31, 2009  
Post Deliberative Session  
At The Canaan Elementary School  
Approved minutes**

**Members present: Eleanor Davis (Vice Chair), Russell Lester, Craig Lawler, Dave Barney, Denis Salvail, Nathan Deleault and selectman Scott Borthwick.**

**The budget committee meeting was called to order by Eleanor Davis (Vice Chair) after the Deliberative session was adjourned.**

**Article 2 (town budget) was amended at Deliberative Session from \$3,237,423.00 up to \$3,268,423.00 by a voice vote.**

**The vote to recommend the new budget figure was as follows:**

**Yes: Dave Barney**

**No: Russell Lester, Denis Salvail, Eleanor Davis, Craig Lawler, Nathan Deleault and Scott Borthwick.**

**1 yes**

**6 no's not to recommend**

**Article 15 (Advanced Transit Inc.) was amended at Deliberative Session from \$8,000.00 down to \$7,600.00 with some language changes as well.**

**The vote to recommend the amended figure was as follows. Yes: Dave Barney**

**No: Russell Lester, Denis Salail, Eleanor Davis, Craig Lawler, Nathan Deleault and Scott Borthwick.**

**1 yes**

**6 no's not to recommend**

**The meeting was adjourned after the second vote.**

**Submitted by Russell Lester, Secretary**

**TOWN OF CANAAN  
BUDGET COMMITTEE MEETING  
April 16, 2009  
Canaan Fire Station  
Revised and Approved Copy**

Members present: Eleanor Davis; Russell Lester; Denis Salvail; John Bergeron; Al Posnanski; Dave Barney; Nathan Deleault; Committee Chair David McAlister; and Selectman Scott Borthwick.

David McAlister called the meeting to order at 7:00 P.M. and took attendance.

David McAlister asked committee members to review their contact information on the handout and let him or Russell know of any needed corrections.

There was general introduction of the new and continuing committee members.

**Election of Officers**

**MOTION** by Denis Salvail and seconded by Nathan Deleault to elect David McAlister, as Budget Committee Chair.

**VOTE: Unanimous**

**MOTION** by Russell Lester and seconded by David McAlister to elect Eleanor Davis, as Budget Committee Vice Chair

**VOTE: Unanimous**

**MOTION** David McAlister and seconded by Eleanor Davis to elect Russell Lester as Budget Committee Secretary.

**VOTE: Unanimous**

**Approval of Minutes**

There was general discussion and consensus that draft copies of minutes will be emailed to committee members who have email addresses. Otherwise, committee members should pick up their copies from their committee folders at the Town Office.

Russell Lester noted that the tape recordings of each Budget Committee meeting can be listened to at the Town Office.

**MOTION** by David McAlister and seconded by Russell Lester to approve the draft copy of minutes dated January 15, 2009, as corrected.

The misspelling of Russell Lester's name was corrected on page four.

Eleanor Davis suggested that “police association” should be changed to “police union” on page five.

Dave Barney corrected the misspelling of Tom Hudgens’ name on page one.

**VOTE: 7 YES      0 NO      2 ABSTAIN** [A. Posnanski and J. Bergeron]

**MOTION** by Dave Barney and seconded by David McAlister to approve the draft copy of minutes dated January 31, 2009, as corrected.

Russell Lester corrected the misspelling of “vice”.

Eleanor Davis noted that David McAlister was not present for this meeting.

**VOTE: 6 YES      0 NO      3 ABSTAIN** [D. McAlister, A. Posnanski, and J. Bergeron]

**Review of the Revenues and Expenditures Reports**

Committee members received and reviewed a new format of the Revenues Report and the Expenditures Report, dated April 13, 2009. There was general consensus that the new format is well-liked by committee members.

Al Posnanski asked why there are no figures listed under the anticipated revenues column. The general response was that the breakdown of the MS-7 figures has not been completed yet but that the Business Administrator should have this done by the next meeting in June.

David McAlister noted that the appropriation in the software support line item was for a one-time expenditure.

It was noted that there is only one election this year although there may be another school vote in June regarding the teachers’ salaries since the warrant article regarding one special meeting was approved. Scott Borthwick noted that there was a bill at the State House recently that would make special town meetings easier to schedule in regards to stimulus funds. Scott Borthwick explained that the stimulus funds are actually loans for fifty percent of the project cost and a twenty year bond that would require voter approval. There was general discussion that the Board of Selectmen is not interested in using stimulus funds for the existing water and sewer issues since the debt would last longer than the current compliance standards.

Eleanor Davis noted that the Town of Canaan still has \$218,000 in water system notes until 2019, \$45,000 in sewer system notes until 2011, another \$105,000 in sewer system notes until 2015, and debt from the Goose Pond Bridge that should be paid off until more funds are borrowed. Eleanor Davis added that the town’s water users should not be subsidizing the town’s sewer users.

Russell Lester clarified that the water and sewer debts mentioned are from three grants that were utilized to provide a temporary “Band-Aid” to the water and sewer issues many years ago.

Scott Borthwick clarified that the \$28,000 to the Grafton County prosecutor is a one-time payment for the year. Scott Borthwick added that the town’s attorney is currently working on three cases; one regarding illegal hookups on Depot Street, one regarding Clark Hill gravel, and one regarding an illegal purchase.

Scott Borthwick clarified that the postage will be reimbursed from the individual departments.

Scott Borthwick summarized that the Police Chief will be contacted regarding the high usage of overtime funds so early in the year. Scott Borthwick added that the Board of Selectmen has opted to not sign the \$2,600 purchase order for the SWAT team dues at this time. Scott Borthwick added that the Police Chief is meeting with the Board of Selectmen on April 28<sup>th</sup>.

Scott Borthwick informed committee members that Keith Bergeron has resigned from the Police Department effective in September due to his decision to relocate to Alaska. Scott Borthwick noted that there is a hiring freeze at this time since the Board of Selectmen is waiting for the State budget to pass. The shared revenue of 40,000 will be received and the amount of the two Block Grant Funds is unknown at this time, as well as, the rooms and meals tax. Scott Borthwick noted that the Town of Canaan is liable for approximately \$2,500 for state retirement contributions.

Eleanor Davis asked what will happen with the School Resource Officer position since Keith Bergeron is leaving. Scott Borthwick responded that this needs to be determined although the Police Chief and the school district wish to continue the position.

Al Posnanski asked what the motivation was to initially hire a SRO. The general response was that a grant was accepted that obligated the Town of Canaan to three years after the grant funds were exhausted. It was noted that the school district provides seventy-five percent of the SRO’s annual salary for nine months.

It was noted that the ambulance and dispatch services are paid quarterly.

It was also noted that the mechanic has purchased items in bulk in order to receive better pricing.

Scott Borthwick informed committee members that the rent and utilities assistance is the highest that Nelson Therriault has ever seen it due to the large number of lost jobs.

Al Posnanski requested that someone please show him where the revenues from the Town Transfer Station Facility Revenue Fund are listed in the town’s accounting. David

McAlister offered to pose that question to the town office staff and report back. Eleanor Davis read the original warrant article that the fund was established under RSA 31:95:C as a special revenue fund that is separate from the general fund and requires a public vote. Eleanor Davis added that the Police Detail Fund was established under RSA 31:95:H as a revolving fund, which does not require a public vote

Denis Salvail commented that all questions should be posed to the Budget Committee Chair so that numerous committee members are not in the town office and consuming the time of the office staff.

Denis Salvail asked how the collection of the tax revenues is going. Scott Borthwick responded that the last manifest showed approximately \$600,000 available and that the collected revenues are ahead of what was projected but that the Board of Selectmen has been quite conservative with spending. Scott Borthwick added that the Business Administrator has again negotiated payment deferment to the school district by submitting two payments during the month of June.

### **Calendar Review**

Russell Lester noted that the Planning Board meets on the second and fourth Thursdays of each month so the Budget Committee should maintain a schedule of the first and third Thursdays for future meeting dates. There was general consensus to schedule the following dates for Budget Committee meetings: June 18<sup>th</sup>; September 3<sup>rd</sup> and 17<sup>th</sup>; October 1<sup>st</sup>, 15<sup>th</sup>, and 29<sup>th</sup>; November 5<sup>th</sup> and 19<sup>th</sup>; and December 3<sup>rd</sup> and 17<sup>th</sup>.

Russell Lester offered to draft and distribute a calendar to committee members and to post the calendar on the website.

Russell Lester presented a receipt for fifty stapled photocopies and requested reimbursement of the \$51.50 that he spent on handouts for the Deliberative Session.

There was general discussion that the printing should have been completed at the town office but that there was a time constraint with getting the handouts completed on time.

**MOTION** by Dave Barney and seconded by John Bergeron to authorize the \$51.50 reimbursement to Russell Lester from the Budget Committee line item and to note that the Town of Canaan will provide this printed material for future Deliberative Sessions.

**VOTE: Unanimous**

### **Selectmen's Report**

There were no additional comments provided at this time.

Eleanor Davis asked whether the Board of Selectmen has given any consideration to the Business Administrator's salary since he has done a great job. Eleanor Davis added that the Business Administrator position is entitled to a retirement benefit but that Michael Capone has opted to not receive it. Scott Borthwick responded that the Business

Administrator agreed to not take a salary increase just as the other employees who have done a great job are not receiving salary increases.

Dave Barney commented that the Budget Committee should schedule some time during the summer months to review topics such as the water and sewer systems and property exemptions, for example. David McAlister responded that informal informational sessions can be set up at any time without an official meeting or minute taker.

Scott Borthwick summarized that Wright Pierce has been asked to provide an estimate of what would be needed in order to increase the sewer capacity. The existing system was designed for 55,000 gallons per day.

Dave Barney asked whether there has been any follow-up regarding the request to increase the number of water wells. Scott Borthwick responded that the Board of Selectmen is addressing the water blending proposal at this time but that the DES has proposed a new well behind the Transfer Station.

Denis Salvail asked what the status is regarding the check for groundwater leaks in the system. Scott Borthwick responded that the town has a group providing some “free labor” and that a “smoke test” should be scheduled soon. Scott Borthwick added that two sump pumps and the Tower House have been diverted from the town’s system, which may have increased some capacity.

Al Posnanski suggested that a Water and Sewer Commission be considered.

There was general discussion that increasing business merchants in the Town of Canaan will require additional sewer and water hookups.

**MOTION** by Russell Lester and seconded by David McAlister to adjourn the meeting at 8:34 P.M.

**VOTE: Unanimous**

**TOWN OF CANAAN  
BUDGET COMMITTEE MEETING  
June 18, 2009  
Canaan Fire Station  
Approved Copy**

Members present: Eleanor Davis; Craig Lawler; Russell Lester; Denis Salvail; John Bergeron; Al Posnanski; Nathan Deleault; Committee Chair David McAlister; and Selectman Scott Borthwick. Also present were Michael Capone and Philip Salvail.

David McAlister called the meeting to order at 7:02 P.M. and took attendance.

**Review of the Expenditure Report**

Committee members reviewed the Budget Worksheet [Expenditures], dated June 15, 2009.

David McAlister asked whether the funds allocated in the DP Hardware Upgrades line item will be expended soon. Michael Capone responded only if needed. Michael Capone explained that the funds were allocated in case a new piece of equipment was unexpectedly needed during the year.

It was noted that the town attorney and county prosecutor expenses are one annual budgeted cost.

Nathan Deleault asked why the government buildings repairs & maintenance line item is already expended to approximately 28%. Scott Borthwick responded that the cost for the lawn tractor repairs was taken from this line item. Eleanor Davis expressed concern that the lawn tractor cost should be accounted for in an equipment line item, such as recreation, building and grounds, capital items, or Improvements Other than Buildings. Eleanor Davis explained that misclassified expenses tend to inflate the budget in future years. David McAlister requested that the lawn tractor expense be reclassified under an equipment line item.

Michael Capone clarified that the \$1,518 encumbrance under the heading of Government Buildings is for a contract on the exhaust recovery system at the fire station.

Michael Capone explained that the property and liability insurance will be paid in monthly installments starting in July for the next twelve months in order to spread out the payments.

Craig Lawler asked where the \$8,000 is allocated for the senior citizen center. The general response was that the \$8,000 was an approved warrant article that will be funded in December. Scott Borthwick clarified that the voters approved an additional \$34,000 in the operating budget during the Deliberative Session so the funds were added and distributed in the budget as they were intended. Michael Capone clarified that TRI-CAP was a new request for 2009. Eleanor Davis commented that TRI-CAP is a fuel assistance

program that is administered through LISTEN. Scott Borthwick noted that the need for welfare assistance has increased this year.

Eleanor Davis commented that the town was required to raise and appropriate the \$8,000 but is not obligated to spend the funds. Michael Capone added that the \$8,000 could be encumbered for the following year.

Michael Capone explained that all postage is run through one postage meter at the town office and that the costs recorded in the general government line item are reallocated to the various departments on a quarterly basis.

Nathan Deleault noted that the Police Department overtime line item is expended to approximately 32%. Scott Borthwick responded that the Board of Selectmen is in contact with the Police Chief regarding this concern. Scott Borthwick added that a police officer was injured on the job and is on leave at this time so the police department staff has been reduced to three officers plus the Police Chief. There was general note that the police officer was injured during a town incident and not during a SWAT incident.

David McAlister asked whether funds allocated in the Police Department uniform line item will be spent. Scott Borthwick clarified that those funds are reserved for outfitting new officers, as needed.

Michael Capone noted that the contracted ambulance payment is paid quarterly.

Michael Capone summarized that Bill Bellion met with him today to discuss the second quarterly payroll of approximately \$14,000 due to the recent brush fire at the ATV Park. Michael Capone explained that the Fire Department salary line item will most likely need to be supplemented this year as a result.

David McAlister asked what the \$7,400 encumbrance is for in the highway contracted services line item. Michael Capone responded that this encumbrance represents two of the three monthly rental payments for an excavator to do stumping, widening of roads, and culverts.

Scott Borthwick summarized that the Board of Selectmen is considering a proposal for a uniform contract at this time since several deals have been offered at reasonable lease options of approximately \$3,000 for no wash and approximately \$6,000 for wash. The last contract expired and uniforms are currently being provided with no contract at this time.

David McAlister requested an explanation of the other highway encumbrances. Michael Capone summarized that the Road Agent has submitted a short list of maintenance paving projects at several locations. Michael Capone also explained that enough road salt was purchased to completely fill the shed last May since a significant increase in price was expected starting in June.



Craig Lawler commented that the voters defeated the warrant article regarding paving. Scott Borthwick responded that the paving being done is only maintenance and not the projects that were requested in the warrant article.

It was noted that there have been no requests for brush hogging.

Scott Borthwick noted that the town purchased a screen last year in order to sift material from behind the transfer station and create gravel for the roads.

Al Posnanski asked whether any progress has been made with reducing street lighting. Scott Borthwick responded that Robert Reagan is working on that effort and does not have an update at this time.

Craig Lawler asked what dues are paid for the transfer station. Michael Capone responded that dues are paid for the Northeast Resource Recovery System for bulk recycling services in order to maximum the return on recycling.

Michael Capone noted that he needs to look at the electricity use at the transfer station. Eleanor Davis commented that some street lighting costs may be mistakenly included in the transfer station bill.

Al Posnanski commented that the profit from recycling will be down this year but that the recycling cost is less than if everything was hauled to the Lebanon landfill.

Michael Capone explained that the rental for the portable toilet at the transfer station cost \$85 per month. It was suggested that a purchase and maintenance agreement for a portable toilet may cost less. Michael Capone noted that the questions have been posed and that he is waiting for figures.

David McAlister asked what expenses were incurred in the welfare miscellaneous line item. Scott Borthwick responded that \$750 was needed for a cremation.

Craig Lawler asked what has been done with recreation maintenance and repair funds. Michael Capone explained that the Board of Selectmen has agreement to pay \$315 for the portable toilet used at Goose Pond last year. Other expenses include repairs to the water spigot, mulch, and the rental of a power-broom for spring cleaning.

Eleanor Davis asked what will be done regarding buoys for the swimming area. Scott Borthwick responded that buoys have been ordered. Michael Capone added that the State has requested a report of how the swimming area will be set up. Michael Capone offered to find out how and when the buoys will be installed.

There was general discussion that the fiberglass docks need to be returned to the original owner since there were stipulations when the docks were donated.

Michael Capone noted that there is a mistake in the library salary line item and needs to be corrected to \$15,189.

John Bergeron asked whether the approved funds for the Town Museum, Advance Transit, and the senior center will be provided. Scott Borthwick responded that the intention at this time is to forward the funds. Michael Capone explained that these funds are historically paid in the fourth quarter.

John Bergeron clarified that quotes are currently being collected for the pillar columns at the museum and then quotes will be collected for rebuilding the porch.

Scott Borthwick explained that the appropriated funds for the AFSCME Contract are to meet the requirement for the performance based salaries. Michael Capone explained that the funds will be kept separate from the salary line item until needed. Nathan Deleault asked whether these funds can be for overtime pay. The response was no.

There was general clarification that the Budget Committee does not comment of how the library contribution is spent but is able to review their expense report in order to justify the dollar amount that was contributed.

Michael Capone summarized that the 48 hour pump test for the new well was completed today and that the results were favorable at 18 gallons per minute. A full set of water samples was collected to re-qualify the quality of the water. This information will be compiled and submitted to DES for a final approval to operate the well as a public water source.

Al Posnanski asked what else can do done in order to refine the budget lines to better reflect the actual expenses of each department. Michael Capone responded that a list of budget related projects will be generated in July to start working on before the budget review process.

Eleanor Davis suggested that the cell phone contract should be reviewed. Michael Capone summarized that the town uses fourteen cell phones; three at will with no contracts, one with an August expiration date, and the rest have a contract that expires in December. Michael Capone noted that the Police Chief has suggested another plan with another provider so he is researching other possible options at this time.

Scott Borthwick noted that the town needs to start tracking the cell phone calls since any call that is not government business is considered a taxable benefit by the IRS.

It was noted that the number of overall minutes was reduced for this year in order eliminate the minutes that were not being used and to reduce the monthly bill by \$80. The current monthly bill is approximately \$309 per month.

### **Review of the Revenue Report**

Committee members reviewed the 2009 Actual & Anticipated Revenues Report, dated June 15, 2009.

Nathan Deleault asked what the payment in lieu of taxes line item is. Michael Capone explained that the Town of Enfield has an old water reservoir on May Street, which is actually on Canaan property. This payment is received from the Town of Enfield in December. Michael Capone added that the amount is based on the classified assessment.

Eleanor Davis asked whether the State makes a payment for the Mascoma Forest and Rail Trail. Michael Capone offered to research the answer to this question.

Michael Capone clarified that the Interware Fees are the expense for online access.

There was general discussion that seventy-five percent of the School Resource Officer salary, benefits, and vehicle expenses are paid by the school district and that the Town of Canaan pays the twenty-five percent balance for three months of patrol.

Michael Capone clarified that the revenue of \$160,467.99 is last year's delayed payment from the State regarding the Rooms & Meals tax.

Scott Borthwick summarized that the NH Municipal Association has sent a letter stating that there will be no Shared Revenue Block Grant checks distributed from the State for the next two years, which is a loss of \$40,420 each year. Scott Borthwick added that the Rooms and Meals tax and the Highway Block Grant are still available at this time. Michael Capone noted that he read that there may be a percentage holdback of up to 15% on the Rooms & Meals tax for this year.

Eleanor Davis asked whether the funds from pistol permits are accounted for in the miscellaneous line item. Michael Capone offered to find out. It was noted that pistol permits are required every four years.

Michael Capone offered to verify the amount of the payment from the Town of Orange for recycling.

Eleanor Davis suggested checking the records for disposal fees since the reported revenues appear too low.

Michael Capone offered to check what revenues are included in the Other Misc Revenue line item.

### **Approval of Minutes**

Board members reviewed draft copies of the minutes dated April 16, 2009.

**MOTION** by Russell Lester and seconded by David McAlister to approve the draft copy of minutes dated April 16, 2009, as presented.

**No vote was taken on this motion.**

Al Posnanski corrected the misspelling of “sump pump” on page five.

**MOTION** by David McAlister and seconded by Russell Lester to approve the draft copy of minutes dated April 16, 2009, as corrected.

**VOTE: Unanimous**

### **Chairmen’s Report**

David McAlister summarized that Al Posnanski had asked where the revenues from the Town Transfer Station Facility Revenue Fund are recorded. David McAlister distributed copies of the bank statement that reflect the deposit.

### **Selectmen’s Report**

Scott Borthwick noted that a Special Town Meeting is scheduled on June 23<sup>rd</sup> at the Fire Station to approve the acceptance of federal stimulus funds from the Recovery and Reinvestment Act. Board members reviewed a handout summarizing frequently asked questions. Scott Borthwick explained that the polls will be open for one hour after the discussion.

Scott Borthwick added that the NH Municipal Association has also relayed information that the State motor vehicle registrations will significantly increase in July. The State is also reducing their retirement contributions for teachers, police officers, and fire department staff so taxpayers will need to make up the difference.

Scott Borthwick summarized that the River Road Bridge project is now proposed to be funded 60% from federal funds and 40% from the State funds although the Town of Canaan still needs to follow the requirements of the Davis-Bacon Act and the Buy American clause. Michael Capone clarified that the Town of Canaan may be financially responsible for two elements: the construction oversight cost which is subject to the 80/20 provision of approximately \$14,000; and if the actual construction cost exceeds the estimate then the Town of Canaan is responsible for 20% of the difference.

Scott Borthwick added that a federal environmental impact study is now required for the bridge site so the cost has increased by approximately \$111,000.

Michael Capone summarized that the latest report was that the bridge project will go to bid in July with a scheduled completion date of November and that the impact study is underway.

Michael Capone clarified that the Special Meeting vote is to accept the funding, to authorize the Board of Selectmen to borrow funds through the State revolving fund system, and to negotiate the interest. Michael Capone further explained that the Board of Selectmen could decide at a later date to not borrow from the State revolving fund system

and to use the reserve funds depending on what the estimates are for the plumbing needed to earn compliance and/or depending on what other projects could be completed with the reserve funds [i.e. expansion of the sewer treatment system].

Eleanor Davis commented that she does not understand why voter approval is need on the water and sewer article each year since the services are supported by user fees and the Board of Selectmen is the authorized agent to expend the funds. Eleanor Davis also expressed concern that the water users are subsidizing the sewer users.

Michael Capone clarified that the accounting for the water payments, sewer payments, and surplus funds has been improved and is now being independently accounted for in order to provide better visibility.

Al Posnanski expressed concern that the voters could change the intent of the warrant article at the June 23<sup>rd</sup> Deliberative Session and could possibly impact the town's tax rate with this proposed loan for the water system.

**Other Business**

John Bergeron commented that the Board of Selectmen is considering tearing down the beach house and Cozy Corner, which will require funds. Scott Borthwick responded that a decision has been tabled until December due to the loss in State funding. Scott Borthwick noted that there has been some talk that the Recreation Committee may raise private funds.

David McAlister noted that the next meeting is scheduled on September 3<sup>rd</sup> to start the budget review process. David McAlister suggested using last year's schedule to initially determine which departments will present at which meetings. David McAlister offered to distribute a schedule of the department head presentations.

Eleanor Davis requested a quarterly written report from the Treasurer and an annual presentation.

Al Posnanski requested that his meeting materials be left in the town office in the future.

**MOTION** by Denis Salvail and seconded by Craig Lawler to adjourn the meeting at 8:48 P.M.

**VOTE: Unanimous**

**TOWN OF CANAAN  
BUDGET COMMITTEE MEETING  
September 3, 2009  
Canaan Fire Station  
Approved Copy**

Members present: Chair David McAlister; Dave Barney; Craig Lawler; Russell Lester; Denis Salvail; John Bergeron; Al Posnanski; Nathan Deleault; and Selectman Scott Borthwick. Also present were Michael Capone and Vicky McAlister.

David McAlister called the meeting to order at 7:00 P.M. and took attendance.

The Budget Committee started a review of department head's proposed budgets for 2010 as follows:

**Tax Clerk /Tax Collector - 4140**

Board members received a green colored handout summarizing the proposed budget from the Town Clerk.

Vicky McAlister summarized that the salary for the Assistant Town Clerk has been increased since Vicky will be eligible for three weeks of vacation next year.

Vicky McAlister explained that the training and education line item is over budget this year because the tax collectors collectively decided to go to the Balsams Resort despite some tax collectors being opposed to the idea.

Vicky McAlister summarized that the appropriation for the dues/subscriptions line item has increased for next year due to the upcoming option for credit card payments. However, these extra allocated funds may not be needed depending on what service is contracted with. Vicky McAlister explained that she is considering a contract with Interware since the online vehicle registrations is already established with them and she knows and trusts them for support services. Two other companies will be considered when she attends and collects information at the Town Clerks' conference. Vicky McAlister summarized that the set up fee and a swipe wedge fee are included in the equipment line item. There was general discussion and explanation that the credit card payment system requires an annual fee, a monthly compliance fee, and a minimum discount fee if a total of thirty dollars or less is charged within any given month. Again, the cost for these fees has been included in the budget but the fees may not apply depending on which company is selected.

Vicky McAlister clarified that the \$1.50 transaction fee is paid to Interware.

Craig Lawler asked whether there will be a service charge in order to pay by credit card. Vicky McAlister responded that there will be a convenience fee of \$3.00 per transaction that will go to the credit card company.

John Bergeron summarized that the town will be charging 2.75% to the customer plus the \$1.50 transaction fee and the town will be paying for the set up cost and the minimum discount fee. Vicky McAlister responded yes. John Bergeron asked whether the town could increase the charge to the customer in order to cover all of the fixed costs. Vicky McAlister responded no since the State regulates the fees.

Al Posnanski asked what the advantage is for offering a credit card payment option. Vicky McAlister responded that it would be convenient for some residents and that some residents want to collect on the mileage or point incentive. Vicky McAlister added that some residents do not always have immediate funds available on the due date and that using a credit card can prevent a lien on their property. Vicky McAlister added that credit cards have become a way of life for many people.

Al Posnanski asked whether there is an advantage to the town for offering credit card payment option. Vicky McAlister responded that it is guarantee funding since she is often chasing four of five bounced check payments each month.

There was general discussion that the option for credit card payments is being phased in gradually over time but that the intent is to eventually allow residents to pay for their vehicle registrations, dog licenses, and property taxes online from home.

John Bergeron asked whether the 2.75% charge is fixed since American Express and Discover are notorious for larger fees. Vicky McAlister responded that the 2.75% would be fixed for all credit card companies.

Vicky McAlister clarified that the option of credit card payments will hopefully become available next January depending on the readiness of the State of NH.

Vicky McAlister noted that there will be three elections next year.

Vicky McAlister asked board members to please contact her if there are any additional questions.

### **Executive-4130**

Michael Capone summarized that the dues/subscription and miscellaneous line items were reduced since there has not been much activity historically with these two lines. Michael Capone explained that the miscellaneous line item had been used previously during the search for a town administrator. Michael Capone clarified that office supplies are accounted for in another budget.

Dave Barney asked whether the NHMA dues should be allocated in the dues/subscription line item. Michael Capone responded that these dues were allocated in the legal budget since most of the benefit received is to consult with their attorneys.

Michael Capone summarized that he has reduced the training and dues/subscription line items within the administrator's budget since there is training available at no cost through Primex and he has access to many resources at no cost to the town.

It was suggested that one dollar should be allocated in the training, dues/subscriptions, and retirement line items in case any future flexibility is needed with the accounting. There was general board consensus to add these three dollars to the total budget for a total of \$61,262.

Dave Barney asked whether the salaries are level funded throughout the proposed budget. Michael Capone responded that all of the figures presented, including salaries, are exactly what the department heads requested in their budget proposals. Michael Capone noted that the Board of Selectmen has started their review of the department head budgets. Scott Borthwick noted that the Town of Canaan is not proposing any salary increases for next year.

Michael Capone summarized that he is more familiar with the setup needs of the local printers so he will be able to avoid the additional draft work that was needed for last year's Town Report. Therefore, the printing line item has been adjusted slightly.

Dave Barney asked why the Town Report is part of the Moderator's budget. Michael Capone responded that the Town Report is a reference document for the Town Meeting and that the Moderator controls the Town Meeting.

#### **Financial Administration-4150**

Michael Capone summarized that additional funds have been budgeted for training since Gloria Koch suspects that there will be mandatory training for increased government scrutiny regarding taxable fringe benefits and GASB 34. Michael Capone added that these training sessions are invaluable to keep the town current.

Michael Capone explained that the expenditure for the auditing services was reduced since the town staff was well organized last year and the auditors were able to complete their review easily and quickly without many questions. Michael Capone added that the office staff continues to review procedures and tracking to improve office efficiencies.

Dave Barney asked what items are being considered as taxable fringe benefits. Michael Capone explained that highway department uniforms, police officer shoes, cell phones, and some vehicles are a few examples of what the State is considering. Michael Capone explained that these costs would possibly be added to the employees' wages and then the town will need to pay the extra FICA costs. Scott Borthwick commented that the State's cost to track these expenses will be more than the revenue that is generated. Scott Borthwick added that the Board of Selectmen is considering that the employees purchase their own cell phones and charge the town for work related minutes. Michael Capone summarized that random federal audits will occur and that the current cell phone setup will require too much time in identifying each call as personal or work related.



### **Budget Committee**

David McAlister summarized that the salary is for the minute taker position. John Bergeron commented that committees can complete their own minutes since all that is required is record of the motions and a brief description of the discussion. David McAlister responded that it is difficult for a committee member to take minutes and participate in the meeting. David McAlister explained that the decision was made several years ago to have a minute taker and that the minutes are clear and provide the public with a good sense of what is discussed at each meeting. Michael Capone noted that he completes the minutes for the Board of Selectmen but does not enjoy doing them. Russell Lester explained that he records the meetings and supplies compact discs that the minute taker transcribes the minutes from. David McAlister explained that the minute taker does not necessarily need to be present since she knows the format and recognizes the voices so she only charges the hourly rate for the time to transcribe the recordings. David McAlister noted that he reviews and signs each timesheet for the minute taker.

### **Assessing**

Michael Capone noted a slight adjustment on the retirement figure.

Michael Capone summarized that there has been some initial discussion of whether updates to the tax maps are needed annually since the number of building permits have decreased compared to previous years. However, the mapping company does have enhancement mapping options that would be nice to have but are not absolutely needed. John Bergeron commented that access to PDF copies on the town's website would be helpful. John Bergeron noted that he was quoted a \$400 copy cost for the complete set when he inquired.

Michael Capone noted that the Board of Selectmen has been promoting greater use and expansion of the town's website to help relieve the amount of time used by residents asking questions in the town office.

Michael Capone explained that the appraiser's contract is level funded, which includes \$15,000 for pickups and the additional assessing work needed throughout the year and \$25,000 for the revaluation scheduled in 2011. Michael Capone added that the Board of Selectmen may decide to start putting this \$25,000 in a capital reserve fund so the line item may be adjusted later. It was noted that Cross Country is the appraiser.

### **Treasurer and Assistant Treasurer**

Michael Capone summarized that the office supplies line item was adjusted due to their need for a different sized mailing envelope.

### **Trustees of the Trust Funds**

Michael Capone explained that the extra \$1,000 added to this budget last year was for legal review of an old trust fund, which is now not scheduled to happen for this year. There was general board discussion and consensus to add one dollar to the legal line item for a total proposed budget of \$594.

Dave Barney asked whether legal counsel from NHMA could be used for legal review of the trust fund issue. Michael Capone responded no since trust funds is a specific area that requires a specifically trained attorney.

### **Software and Hardware Support and Hardware Upgrades**

Michael Capone summarized that these two line items were separate last year but that no new hardware was purchased and that there has been only one call to repair a hardware problem. Michael Capone commented that he is hoping to go another year without any needed hardware replacements and to continue supporting the current hardware with repairs. However, the office server is five years old and some future provisions, such as a capital reserve fund, will be needed before significant hardware problems arise. Michael Capone summarized that a new office server will cost approximately \$8,000 but that there is another option of having a virtual server service through Computer Solutions in Tilton, NH, for less money. The drawback on this option is that the town would become dependent on the internet provider service. There was general note that lease programs for office hardware are available. Michael Capone commented that there are benefits to having the computer support group supply the hardware since they know what would work best and the computer business is quite competitive so the best pricing would be provided.

Russell Lester explained that servers are expensive since mirrored hard drives are used. Russell Lester added that Computer Solutions has provided excellent service and expertise to the town in the past. Michael Capone summarized that their virtual server service uses mirrored drives and an offsite backup, as well as, a backup internet provider in case one becomes unavailable.

Russell Lester commented that having the server onsite does provide convenience and safety in case new technical support is ever needed or hired in the future.

Denis Salvail asked what the town's service history has been with the internet provider. Michael Capone responded that he is only aware of one problem with Fair Point Communications during his tenure with the town.

### **Legal-4153**

Michael Capone noted that the NHMA dues were moved to this budget.

Al Posnanski asked what kinds of town matters have required funds for consultation with an attorney. Michael Capone responded that there was a potential problem with a conservation easement, a potential lawsuit regarding a town gravel purchase, a legal matter regarding a water and sewer violation, and needed reviews of legal documents.

It was noted that the contracted service with the prosecutor is an annual fee and is based on the percentage of cases that are prosecuted for the Town of Canaan.

### **Personnel Administration-4155**

Michael Capone noted that the health insurance provider for the town was changed June 1<sup>st</sup> for a twelve month contract. However, the budgeted figures for 2009 and 2010 do not reflect the true savings in changing providers since additional funds were added to pay for coverage for the rest of the fiscal year after the negotiations are settled with the police officer association. Additional funds are also included in the budget to account for any enrollment changes, such as marriages or births.

Craig Lawler asked why taxpayers should be paying for employee's dependents. Michael Capone responded that committee members can have that discussion of just providing access for the dependents but not paying towards the premiums for the dependents. Michael Capone summarized that generous benefit packages are offered to the employees but that the coverage requires more employee involvement in understanding the plan options and in controlling the costs of their plans. Michael Capone added that most employees have selected a HMO plan and the town has been able to reduce the premium cost by approximately \$32,000 as a result. Michael Capone added that the employee co-pays have increased and the employee co-pays for the prescription benefit have increased.

Michael Capone summarized that the contract appropriation for employee drug testing has been reduced since the State of NH is limiting the number of tests to four individuals per year.

Michael Capone summarized that tonight's information packet includes backup information from Tom Guillette regarding the Recreation Department and the Buildings and Grounds budgets. Michael Capone noted that there was one change so the total figure submitted by Tom Guillette does not match the figure that has been proposed. The packet also includes back-up information regarding the library and the Police Department, as well as, some of the regional association letters. Michael Capone noted that there are some unexplained differences in wage calculations and fuel line calculations between the office staff figures and the Police Chief's figures at this time.

### **Approval of Minutes**

Board members reviewed draft copies of the minutes dated June 18, 2009.

**MOTION** by David McAlister and seconded by Russell Lester to approve the draft copy of minutes dated June 18, 2009, as presented.

**No vote was taken on this motion.**

Michael Capone corrected that "lawn track" should be revised to "lawn tractor" on page one.

Michael Capone summarized that he does not know whether he misspoke or whether the recording should be checked but a correction should be made on page one since the property and liability insurance will be paid in monthly installations starting in July for

the next “six” months. There was general discussion to note the correction in these minutes and that there is no need to check the recording.

**MOTION** by Craig Lawler and seconded by Denis Salvail to approve the draft copy of minutes dated June 18, 2009, as corrected.

**VOTE: 8 YES      0 NO      1 ABSTAIN** [Dave Barney]

### **Chairmen’s Report**

David McAlister asked whether committee members received his email regarding the fall agenda. Copies of the agendas were distributed. David McAlister noted that the agendas have been reversed for the October 1<sup>st</sup> and October 15<sup>th</sup> meetings due to two requests from committee members. There was general discussion and consensus that the October 29<sup>th</sup> meeting will be a review of the Selectmen’s proposed budget.

Michael Capone noted that the meeting dates that are posted in the office need to be corrected.

Scott Borthwick noted that the Deliberative Session is scheduled for January 20<sup>th</sup>, 2010.

David McAlister noted that the next Budget Committee meeting is September 17<sup>th</sup>. There was general consensus is schedule November 5<sup>th</sup> and 19<sup>th</sup> and December 3<sup>rd</sup> and 17<sup>th</sup> as future meeting dates. David McAlister offered to set the agendas for these additional meeting dates and to distribute copies to the committee members.

Michael Capone noted that January 19<sup>th</sup> is the last possible day for a public hearing and that January 12<sup>th</sup> is the last day for petitioned warrant articles. Michael Capone suggested a January 14<sup>th</sup> Public Hearing date for committee members to consider.

### **Selectmen’s Report**

Scott Borthwick noted that the Board of Selectmen agreed to a uniform contract with G&K Services. Michael Capone summarized that this supplier was chosen since they agreed to a three year contract with no more than a two percent increase each year. Plus they offer two free weeks of rental each agreement year after the first month and free t-shirts.

Dave Barney asked what happened with the CIP Committee this year. There was general discussion that Dan Ware was the Committee Chair and that the Planning Board has this topic scheduled as a future agenda item.

### **Other Business**

Denis Salvail commented that Michael Capone has done an excellent job with the initial presentation of the proposed budget. Committee members agreed. Michael Capone commended Gloria Koch for the tremendous amount of background information that she has available for him to work with. Michael Capone added that much of the credit must go to Gloria Koch.

**MOTION** by Denis Salvail and seconded by Dave Barney to adjourn the meeting at 8:50 P.M.

**VOTE: Unanimous in the affirmative**

**TOWN OF CANAAN  
BUDGET COMMITTEE MEETING  
September 17, 2009  
Canaan Fire Station  
Draft Copy**

Members present: Chair David McAlister; Dave Barney; Craig Lawler; Russell Lester; Denis Salvail; John Bergeron; Nathan Deleault; Al Posnanski; and Selectman Scott Borthwick. Also present was Michael Capone, Shirley Packard; Phil Carter; Roberta Berner and Kate Keating of the Grafton County Senior Citizens Council; Van Chesnut of Advance Transit; Charlie Paine; Margaret O'Neil of WISE; and a representative of Visiting Nurses Alliance.

David McAlister called the meeting to order at 7:00 P.M. and took attendance.

The Budget Committee started a review of department head's proposed budgets for 2010 as follows:

**Planning Board**

Michael Capone summarized that the Planning Board's budget is level funded at \$1,403 for next year.

There was general discussion that postage costs are expected to increase for the Planning Board budget next year. Michael Capone noted that postage allocation to the various department budgets is done quarterly.

Michael Capone clarified that the training expenses are accounted for in the miscellaneous line item.

Al Posnanski asked how much revenue is collected regarding the Planning Board fees to offset the town's costs. Michael Capone responded that application fees cover the expenses for abutter notices and that approximately \$1,300 was collected between January and August of 2008. Therefore, the department does help to pay for itself.

**Cemeteries**

Phil Carter summarized that the cemetery budget has been reduced by approximately twenty-five percent for next year. The mowing schedule has been cut to two days per week. Phil Carter noted that the new riding lawn mower is being taken to the repair shop for a checkup.

**Insurances**

Michael Capone summarized that this budget is level funded until further notice is received from the municipal association regarding any rate increases.

## **Regional Associations**

Michael Capone summarized the following budget requests have been received: Advance Transit - \$7,600; Grafton County Senior Citizens Council - \$8,000; WISE - \$2,100; ACORN - \$500; Visiting Nurses Alliance - \$13,835; CASA – \$500; Tri Cap - \$3,760; and \$2,000 for each lake association; for a total of \$40,295. Michael Capone noted that a request has not been received from the Mascoma Valley Health Initiative and that West Central Services will be submitting a request as a warrant article.

Nathan Deleault and David McAlister commented that they prefer that the Regional Associations submit their requests through a warrant article so that the public can directly vote to either support or not support these services.

Representatives from the following regional associations were present to summarize the services that they provide and the number of Canaan residents receiving their services, as summarized in their request documents to the town: Grafton County Senior Citizens Council; Visiting Nurses Association; WISE; and Advance Transit.

There was general discussion that the Senior Center pays for heat, electricity, and propane but that the town provides and maintains the building at no cost to the Senior Center. It was noted that the Lions Club contributes \$500 annually to the Senior Center towards the utility costs.

Dave Barney suggested that committee members support the request for Grafton County Senior Citizens Council since he volunteers at the Senior Center once a week and witnesses the interaction and the assistance that is truly needed by Canaan residents.

Michael Capone explained that the voter approved appropriations to the regional associations are distributed at the end of the fiscal year in order to improve the town's position regarding cash flow and, therefore, reducing the town's need to borrow funds. Russell Lester added that the town's payment to the school district increased this year and that a payment schedule was negotiated so that the town did not need to borrow funds.

Al Posnanski asked who determines if an individual is eligible for services with the Visiting Nurses Association. The representative responded that anyone can call for a service assessment but that a physician needs to verify the need for the service.

Charlie Paine of the Canaan Lake Association and Dave Barney of the Goose Pond Association summarized the benefits of the milfoil prevention programs on the town's water assets and property values. Dave Barney noted that the monitoring program had two milfoil findings on boats this year.

Michael Capone noted that the deadline for petition warrant articles is January 12<sup>th</sup>.

### **General Government**

Michael Capone summarized that the postage has been increased due to the postage rate increase. Michael Capone noted again that the postage allocation to the various departments is only done quarterly so the departments' actual expenditures will be adjusted at a later time. There was general discussion regarding the various mailing options available to the town.

Michael Capone noted that the cell phone contracts are being reviewed so the proposed budget allocation may change.

There was general discussion whether additional consideration should be given to adding one dollar to the training and education line item.

Michael Capone explained that the gasoline and diesel expenditures were reallocated last year to the various department budgets so that this line item is no longer needed.

### **Government Buildings**

A pricing adjustment to the heating oil and gas line items was noted.

Michael Capone explained that the proposed expenditure amount on the repairs and maintenance line item is based on Tom Guillette's list of outstanding projects at this time. Michael Capone added that he is working to better define the expenses for state inspections regarding fire extinguishers, the library elevator, and alarm systems, as well as, the preventative maintenance costs for furnaces and the exhaust system at the fire station.

There was general discussion that there may be a need to adjust Tom Guillette's salary if his job responsibilities have increased. Michael Capone explained that a formal review of the job description is underway.

### **Bridge Inspection**

Michael Capone explained that this budget is only used for accounting purposes whenever reserve funds are expended for bridges, such as the River Road bridge.

### **Street Lighting**

Michael Capone summarized that the Board of Selectmen has requested him to engage in conversation with National Grid regarding the 125 street lights that the town is currently being billed for. Perhaps there are street lights that can be removed or at least replaced with a more efficient light system in order to reduce operational expenses and the amount of unnecessary lighting.

Russell Lester noted that there are federal funds available to help improve lighting efficiency.

Michael Capone explained the details regarding the electricity billing and the various costs charged depending on which lighting fixtures exist.



**Health**

Michael Capone summarized that the health budget is level funded from last year.

**Cultural**

Michael Capone summarized that the cultural budget is also level funded from last year.

**Approval of Minutes**

Board members reviewed draft copies of the minutes dated September 3, 2009.

**MOTION** by David McAlister and seconded by Russell Lester to approve the draft copy of minutes dated September 3, 2009, as presented.

**No vote was taken on this motion.**

Michael Capone corrected that “state audits” should be revised to “federal audits” on page three.

Scott Borthwick corrected that “State of NH” should be revised to “Town of Canaan” on page three.

Michael Capone corrected that “eighteen” should be revised to “twelve” on page six.

Dave Barney corrected the misspelling of “counsel” on page five.

Scott Borthwick corrected “GNK” to “G&K” on page seven.

**MOTION** by David McAlister and seconded by Dave Barney to approve the draft copy of minutes dated September 3, 2009, as corrected.

**VOTE: Unanimous in the affirmative**

**Chairmen’s Report**

David McAlister noted that board members should have received a fall budget review schedule. Review of the Selectmen’s proposed budget will be on September 29th.

**Selectmen’s Report**

There was no selectmen’s report provided at this time.

**Other Business**

There was no other business covered at this time.

**MOTION** by Dave Barney and seconded by Craig Lawler to adjourn the meeting at 9:26 P.M.

**VOTE: Unanimous in the affirmative**

**TOWN OF CANAAN  
BUDGET COMMITTEE MEETING  
October 1, 2009  
Canaan Fire Station  
Approved Copy**

Members present: Chair David McAlister; Eleanor Davis; Dave Barney; Craig Lawler; Denis Salvail; John Bergeron; and Al Posnanski. Also present were Michael Capone, Amy Thurber, Cindy Neily, Beth Wolf, Glenn Carey, and Nelson Therriault.

David McAlister called the meeting to order at 7:07 P.M. and took attendance.

The Budget Committee reviewed the following department budgets for 2010:

**Building Inspection**

Michael Capone summarized that this proposed budget is level funded for next year. It was noted that the Building Inspector has been told to submit mileage reimbursement but that he never has in the past since he often completes town business while using his own truck to complete his own work related business.

**Welfare**

Nelson Therriault summarized the increase in the number of assistance requests and the amount of assistance provided this year compared to last year with three challenging heating months ahead. It was noted that the expenditures listed in the miscellaneous line item were for two burial requests. Nelson Therriault explained that there have been significant cuts in assistance at the state level and that many individuals are being placed on waiting lists for services. Nelson Therriault added that the Board of Selectmen has set a maximum expenditure allowance of \$250 and that any request exceeding \$250 for an extraordinary need requires prior approval by the Board of Selectmen. Michael Capone summarized that he has estimated a need for a \$20,000 transfer to the welfare budget in order to cover expenditures for the next three months.

Al Posnanski asked whether the claims for assistance are ever investigated before funds are provided. Nelson Therriault responded that the applicant is required to fill out a financial statement but that he does not always verify the information. Nelson Therriault summarized that most of the applicants are on disability or have been laid off or are earning the minimum wage. Most of the applicants also lack health insurance, or are sick, or have had a recent operation.

**Recreation**

Michael Capone summarized that the supporting documentation provides some explanation but that the budget figures are subject to change since the committee has new members. Michael Capone added that he is organizing and facilitating the committee meetings since the Director no longer wants to chair the committee. Additional funds will most likely be needed in the maintenance and repair line item. Michael Capone added that the Director position will possibly revert to a volunteer position. Michael

Capone summarized that funds for program supplies and equipment may be needed in order to initiate new programming.

Michael Capone clarified that the mowing expenditures are included in the building and grounds line item and that the previous part time salary was for the field hockey camp and arts and crafts program.

Michael Capone offered to find out where the state water testing fees at Canaan Street Lake are accounted for.

Al Posnanski asked what revenues are being collected for the recreation budget from Old Home Days or Williams Field. Eleanor Davis responded that only revenues from the summer programs are being collected. Michael Capone summarized that there has been some initial discussion of charging a user fee for Williams Field to help defray the cost for the field lights and water.

Michael Capone clarified that the bath house expenses are included in this budget and that the fuel line item is for the tractor used to mow Williams Field.

Michael Capone confirmed that the soda machines have been turned off and that the Pepsi contract has been canceled.

Eleanor Davis asked where the \$7,000 from the Williams Field Trust Fund is accounted for and how the funds can be used. Michael Capone responded that the funds can only be used for the field and not for playground equipment or replacement.

Eleanor Davis requested an accounting of what lights are being billed to the recreation budget.

### **Library**

Library staff members distributed handouts summarizing their proposed budget and statistics regarding library usage. The national trend is that there has been an enormous increase in circulation and computer usage due to the downturn in the economy and the increase in unemployment.

Al Posnanski asked how book purchases are determined. Amy Thurber explained that she uses various printed sources and book reviews for recommendations and that single copies are purchased. Also purchased are replacements for missing books and books in poor condition. Approximately 400 to 500 books are purchased annually and many books are donated by the public.

Michael Capone noted that there has been some discussion about consolidating the cleaning services for all of the town's buildings.

Eleanor Davis asked how much revenue is raised from the book fairs, the yard sale, and the photocopier. It was explained that photocopier revenues are placed in an existing

photocopier replacement and supply fund and that funds raised by the Friends of the Library book sale are used at their discretion. The second used book sale this year generated \$535.

Beth Wolf summarized that the same salaries and benefit figures for this year were used for next year's budgeting since they were not sure whether salary increases would be offered or what the town's options will be regarding insurance and benefit changes. Michael Capone explained that there may be possible benefit plan changes depending on how the rates change for next year. Michael Capone added that the cost of the retirement contribution is increasing for the town, as well as, for the school district.

There was general discussion of possibly separating the salary, benefits, FICA/Medicare, and retirement line items from the rest of the proposed budget for the library.

Cindy Neily explained that the library staff voluntarily reduced their budget, as the Board of Selectmen had requested of every department. There was general discussion that the library's proposed budget for 2010 does not match the budget figures that were provided in the budget worksheet. Michael Capone offered to find out why and suggested that committee members rely on the library personnel's figures for now.

### **Transfer Station**

Glenn Carey summarized that his proposed budget is level funded from last year but that he has better defined the budget categories for greater transparency. Glenn Carey added that the electricity line item will most likely need to be adjusted.

John Bergeron suggested that the public should be better educated that several businesses accept the disposal of electronics at no charge and that the transfer station fees can be avoided. Glenn Carey responded that the public prefers the convenience of one site for all of their disposal needs. The fees are set by the Board of Selectmen. There was general discussion that enforcement of the disposal fees is difficult since many residents choose to dump their items illegally in order to avoid the disposal fees.

### **Conservation**

It was explained that this line item is used for accounting purposes regarding transfers.

Michael Capone acknowledged pending negotiations and possible litigation regarding a breach in a conservation easement agreement.

### **Water and Sewer**

Michael Capone summarized that he will be working with the personnel in order to better refine the budget figures provided at this time.

Michael Capone clarified that there can be no increase in expansion or in the number of water or sewer hookups until the groundwater discharge permit study is completed.

Michael Capone clarified that the well project funds do not impact the water or sewer budgets.

**Patriotic**

This budget was not discussed at this time.

**Debt Service**

Michael Capone referenced page thirty-eight of the 2008 Town Report regarding the outstanding debt service.

There was general discussion of possibly reducing the interest on tax anticipated notes line item since funds have not been borrowed since Michael Capone has been employed by the town.

John Bergeron suggested mailing the tax bills quarterly in order to improve the town's cash flow.

**Capital Outlay Improvements Other than Buildings**

There was general note that this budget could be applied to roads or a landfill.

**Approval of Minutes**

The minutes will be available for review and approval at the next meeting.

**Chairmen's Report**

Dave McAlister summarized the upcoming meeting schedule. It was noted that the Public Hearing is tentatively scheduled for January 14<sup>th</sup> with a January 19<sup>th</sup> backup date. The next meeting is scheduled on October 15<sup>th</sup>.

It was suggested by the minute taker that there would be a mutual advantage to implementing abbreviated or a condensed version of meeting minutes compared to what has been previous provided. Eleanor Davis commented that the town has previously benefited from a detailed set of minutes. There was general consensus to try the abbreviated suggestion in order to see what the difference would be.

**Selectmen's Report**

There was no selectmen's report provided at this time.

**MOTION** by Dave Barney and seconded by Denis Salvail to adjourn the meeting at 9:23 P.M.

**VOTE: Unanimous in the affirmative**

**TOWN OF CANAAN  
BUDGET COMMITTEE MEETING  
October 15, 2009  
Canaan Fire Station  
Approved Copy**

Members present: Chair David McAlister; Eleanor Davis; Dave Barney; John Bergeron; Denis Salvail; Nathan Deleault; Al Posnanski; Russell Lester; Craig Lawler; and Selectman Scott Borthwick. Also present were Michael Capone, Larry Brabant; Bob Scott; Chief Sam Frank; Chief Bill Bellion; John Hennessey; and Shirley Packard.

David McAlister called the meeting to order at 7:02 P.M. and took attendance.

The Budget Committee reviewed the following proposed department budgets for 2010:

**Mechanic**

Larry Brabant summarized that this proposed budget is level funded for next year.

There was general discussion that the loader tires were recently replaced and that there are predictions that tire prices are expected to increase for next year.

It was noted that the town garage provides a full service for all of the municipal departments.

**Highway**

Bob Scott summarized the following details regarding his proposed budget: a 3% in the salary line item; funds for paving Roberts Road and possibly the southern part of Goose Pond Road; the brush mowing line item was increased by \$1,000 since it was under-budgeted for this year; and the FT salaries line item is adjusted to include hours for the part time employee who will be shared with the cemetery department.

Dave Barney expressed concerns regarding phosphorus use on Goose Pond, as well as, mowing concerns. Dave Barney also made note of culverts and grading needed on Goose Pond Road.

John Bergeron commented that silt from the roadway is accumulating in the stream along Fernwood Farms Road. There was general discussion regarding repair of the culvert on Corno Road.

There was also general discussion of a possible land swap opportunity with Cardigan Mountain School in order to make improvements to the roadway, culverts, and the school entrance.

There was general discussion regarding reconfiguration of the Roberts Road and Canaan Street intersection. It was suggested that ideas for road projects be submitted to Bob

Scott. Michael Capone summarized that Bob Scott will soon have access to a new computer program that will assist in the scheduling of road projects.

### **Police**

Chief Frank noted that he has revised his budget figures from what was previously distributed to committee members and provided these revised budget figures during his budget presentation.

It was explained that there has been an agreement to hire two 20 hour part-time personnel due to the significant number of open cases at this time. Chief Frank clarified that there is no obligation of paying back the training costs for part-time personnel.

Chief Frank summarized that the sergeant position is receiving a comparable salary to the chief position despite the differences in responsibility levels.

Chief Frank explained that he has include funds to purchase a new cruiser in the equipment line item since Selectmen Lewis has offered to support his budget if he submits a total budget of below \$490,000 including the cruiser cost. A four year lease with an annual payment of \$6506.15 is available plus an opportunity for a \$1,000 trade on the 2005 Crown Victoria. Chief Frank explained that \$23,440 in cash would purchase the cruiser outright but that he would prefer an annual lease payment in order to start a four year replacement cycle. There was general discussion whether a capital reserve fund should be used to purchase vehicles or whether purchasing with cash from the operating budget is better.

Russell Lester arrived at 7:52 P.M.

Chief Frank offered the following budget details: \$5,000 has been budgeted for cameras; the union salary increases are 6.5% for next year; and outside duty responsibilities are being limited to public requests for fingerprinting and various reports.

There was general discussion that the outside detail creates revenue that supplements the operating budget, as well as, the funds receiving from school for the School Resource Officer.

### **Ambulance**

It was noted that the ambulance service is within the first year of a three year contract and that the cost for the service is pro-rated and based on the population size.

### **Fire Department**

Chief Bellion summarized that there has been 150 calls so far this year, which is a slightly lower number compared to past years at this time. However, a few of the calls have been lengthy so the salary line item will most likely be over-expended during the fourth quarter.

Chief Bellion explained that the cost for a new fire engine has increased to \$250,000 so consideration should be given to supplementing or adding to the capital reserve fund.

Dave Barney asked whether there are plans to install a dry fire hydrant in Goose Pond. Chief Bellion responded that it is too late in the year to complete an installation now.

Denis Salvail asked why the Fire Department is not billing for calls as is done by DARTT, ambulances, wreckers, and towns for clean up costs. Chief Bellion responded that emergency response is a town service and that the fire department does not have a mechanism, policy, or statutory authority to either bill or receive payments. It was suggested that the Board of Selectmen consider a town ordinance in order to help deter repeat offenders for chimney fires, for example.

### **Emergency Management**

It was noted that the stipend listed in the proposed budget is for two people and that the actual dispatch figure is not known at this time.

John Bergeron informed committee members that the CIP Committee has been reconstituted with one member from each group: Planning Board, Board of Selectmen, Budget Committee, plus a community member from Canaan. Steve Ward has volunteered to chair the committee

John Bergeron nominated and David McAlister seconded that Dave Barney serve as the Budget Committee representative. Dave Barney accepted and there were no objections stated at this time.

There was a general explanation of the purpose and advantages of having a Capital Improvement Plan.

Russell Lester commented that there is a need to limit the number of police cruisers or else the rotation cycle will need to be increased since the residents can not afford the cost. There was general discussion whether a fixed four year replacement cycle is needed. Scott Borthwick noted that a maintenance log has been established for the town's vehicles and that no repair jobs justify the need for any new vehicles at this time. It was noted that the town has a full time mechanic in order to keep the vehicles in good working order so that the vehicles will last longer. Russell Lester commented that he supports the use of capital reserve funds since these funds earn interest. David McAlister commented that not every police vehicle needs to be replaced every fourth year since the vehicles are not equally used.

Michael Capone summarized that the CIP has approximately \$186,000 listed for replacement of highway vehicles and that a baseline evaluation should be completed on all the town's vehicles.

### **Approval of Minutes:**



Committee members reviewed draft copies of the September 17<sup>th</sup> and October 1<sup>st</sup> minutes.

**MOTION** by Russell Lester and seconded by David McAlister to accept the September 19, 2009 minutes, with corrections.

Michael Capone corrected Michael Paine's name on pages one and two.

Dave Barney corrected the name of Goose Pond Lake Association on page two.

**VOTE: 9 YES 0 NO 1 ABSTAIN** [Eleanor Davis]

**MOTION** by Denis Salvail and seconded by David McAlister to accept the October 1, 2009 minutes, as presented.

No corrections were suggested at this time.

**VOTE: 6 YES 0 NO 4 ABSTAIN** [Davis, Nathan, Russell, Scott]

**Chairmen's Report:**

David McAlister informed committee members about Local Government Center's 68<sup>th</sup> annual conference titled "Rising to the Challenge" on November 18<sup>th</sup> through 20<sup>th</sup> if any committee member is interested in attending.

**Selectmen's Report:**

Scott Borthwick summarized that a used 2005 Sterling 6-wheel truck was purchased with 22,000 miles for \$64,000 from the Town of Woodstock to replace the Freightliner.

Scott Borthwick noted that the school district has scheduled their Deliberative Session on the same day as the town's Deliberative Session on January 30<sup>th</sup>.

**Next Meeting**

The next meeting is scheduled on October 29<sup>th</sup> to review the Board of Selectmen's proposed 2010 budget.

**Public Comment:**

Shirley Packard asked whether anyone knows whether the school teachers' ratified a contract today. No one knew.

**MOTION** by John Bergeron and seconded by Dave Barney to adjourn the meeting at 9:50 P.M.

**VOTE: Unanimous in the affirmative**

**TOWN OF CANAAN  
BUDGET COMMITTEE MEETING  
October 29, 2009  
Canaan Fire Station  
Approved Copy**

Members present: Chair David McAlister; Eleanor Davis; Dave Barney; Denis Salvail; Al Posnanski; Russell Lester; and Craig Lawler. Also present were Selectmen Robert Reagan and Tim Lewis, Michael Capone, and Shirley Packard.

David McAlister called the meeting to order at 7:02 P.M. and took attendance.

The Budget Committee reviewed the proposed 2010 Selectmen's Budget, as presented on the budget worksheet dated October 29, 2009. Robert Reagan offered to highlight only the budget line items that the Board of Selectmen chose to change from what the department head had proposed. The following explanations were provided:

The town report printing line item under the meeting budget was reduced since fewer town reports will be printed and since the Town Administrator is formatting the report in such a way that will help to reduce the processing charge.

The unemployment line item in the public administration budget was adjusted due to federal changes and the increased number of individuals unemployed.

All salary line items were level funded and benefit costs were adjusted to reflect 2009 expenditures.

Eleanor Davis asked what line item the funds were taken from for the lawn mower purchase. Robert Reagan responded that the lawn mower was a 2008 purchase and is not reflected on this budget worksheet. Michael Capone responded that the funds might have been taken from the repairs and maintenance line item of the government buildings budget but that he would need to verify this.

Eleanor Davis asked what the encumbrance listed in the government buildings budget will be used for. Michael Capone responded for the fire department doors.

Robert Reagan explained that the previous full time position for cemetery maintenance has been reduced to twenty hours per week and will work twenty hours for the highway department. The part time cemetery position will then be increased a few hours, as needed.

The equipment line item of the police department budget includes \$30,000 for a police cruiser as a negotiated agreement between the Police Chief and the Board of Selectmen in order to help reduce the overall police department budget. Dave Barney suggested that the police cruiser purchase would be more transparent if the purchase was listed in the capital outlay budget. Eleanor Davis suggested adding a capital outlay line item to each

budget. There was general discussion that a police cruiser can not be purchased in any way if the cruiser purchase is defeated as a warrant article. It was explained that the cruiser cost is approximately \$27,000 and the extra \$3,000 is for the changeover and equipment installation costs.

The water and sewer line item was reduced in the fire department budget since the trucks can be filled from the street fire hydrant at no cost, except during extremely cold weather, instead of with metered water. It was noted that filling from the fire hydrants would provide training opportunities and would help with flushing out the water lines.

The dry hydrant line item of the fire department budget was reduced since no dry hydrants have been installed in many years and since there are requirements for a site to qualify for a dry hydrant installation. Robert Reagan summarized that the Board of Selectmen is gradually implementing a policy that a department head plan is needed to justify requested budget funds or else the operating budget will continue to remain inflated with unused budgeted funds.

The salary line item for the emergency management budget was reduced since emergency management is already the responsibility of the Police Chief and Fire Chief. Tim Lewis explained that the salaries should not be double funded unless grant funding requires salaried positions.

Michael Capone explained that last year's budgeted amount of \$46,500 for the dispatch service line item for the emergency management budget included funds for an antenna installation that was never completed. An increase for dispatch service is not known at this time.

The increase in the FT salaries line item for the highway budget reflects the change in the FT cemetery maintenance position to being part time in the highway department.

The paving line item of the highway budget was reduced to zero since the request will be posed as a warrant article.

The winter sand and gravel line items of the highway budget were reduced since the town owns a sand screen, has three years of screened sand already, and is creating gravel product from the 137 acres behind the transfer station. Tim Lewis estimated that material should be available from this site for the next twenty five years. It was explained that a few dollars need to be budgeted for sand in case of any emergency needs and since the town does not have any sand sheds at this time.

Dave Barney asked how many road miles were mowed. Robert Reagan responded that as many miles were done as could be completed during the rental period of the mower. Michael Capone added that another week of rental would have completed all of the town's roads.

Eleanor Davis asked what the cost was for the dump truck. The response was \$64,000 for a fully outfitted truck.

Eleanor Davis asked when the sand screen was purchased. Michael Capone responded in 2008 for \$37,000 but the sand screen was not delivered under January of 2009.

Dave Barney requested the cost of road salt versus the cost of Magic Salt plus the amount of salt product used on Goose Pond Road.

It was explained that the \$25,000 in the gravel line item of the highway budget reflects the crushing cost for 5000 yards.

The street lighting line item has been reduced since the intent is to discontinue use of many street lights after completion of a survey.

The water and sewer line item of the transfer station budget has been reduced due to a change in contract for the portable toilet.

The C&D Hauling Services line item of the transfer station budget was reduced to zero since the residents will be able to deliver items themselves as part of the dual stream recycling program.

The rent assistance line item of the welfare budget was increased to reflect this year's projected need.

The director position of the recreation budget was reduced to zero since the position will become a volunteer position.

Robert Reagan summarized that the undesignated fund balance is healthy again and that the town can petition the court and schedule a special meeting if emergency operating funds are ever needed. Robert Reagan added that the Board of Selectmen chose not to add any contingency funds in the operating budget in order to stabilize the tax rate next year due to the economic times. The goal was a ten percent cut in the operating budget with a detailed review of the proposed department head budgets but only 8.5% was identified for cuts.

There was general explanation of needed funds in 2011 for the revaluation fund but not for the bridge repair fund.

Al Posnanski suggested revising the site improvement line item of the transfer station budget to site improvement/maintenance. Michael Capone offered to check into the possibility.

There was general discussion of the town's and school's increased contribution to the retirement system for this year and next year.

Eleanor Davis requested the number of full time employees that are covered by the town's health insurance plans and the number of employees who receive stipends in lieu of health insurance plans. Eleanor Davis also requested the difference in the health insurance cost for the employees compared to the health insurance cost of all of the employees' family plans.

**Approval of Minutes:**

The minutes of October 15<sup>th</sup>, 2009, will be available for review and approval at the next meeting.

**Chairmen's Report and Selectmen's Report:**

There were no reports provided at this time.

**Next Meeting**

The next meeting is scheduled on November 5<sup>th</sup>. Michael Capone noted that the Fire House may not be available for the December meeting dates due to the renovation schedule. There was general discussion that the December meetings could be held in either the library or the Senior Center.

Eleanor Davis requested review of the default budget and the projected revenues at the December 17<sup>th</sup> meeting.

Michael Capone noted that the deadline for petition warrant articles is January 12<sup>th</sup> and the posting deadline for the warrant is January 19<sup>th</sup>.

**Public Comment:**

Shirley Packard requested confirmation whether salary raises were being considered for next year. The general consensus was that no salary increases are being considered.

Shirley Packard commented that the funds for a police cruiser can not be included in the operating budget and on the warrant. Committee members responded that funds for the police cruiser in two places would not be the intent.

Shirley Packard suggested that the Budget Committee should consider adding funding for the summer field hockey program to the proposed budget.

Denis Salvail suggested that a legal opinion be sought whether the intent of a petitioned warrant article can be changed.

There was general discussion regarding the ramifications of being a Senate Bill II town and school district.

**MOTION** by Dave Barney and seconded by Craig Lawler to adjourn the meeting at 8:37 P.M.

**VOTE: Unanimous in the affirmative**

**TOWN OF CANAAN  
BUDGET COMMITTEE MEETING  
November 5, 2009  
Canaan Fire Station  
Approved Copy**

Members present: Chair David McAlister; Eleanor Davis; John Bergeron; Denis Salvail; Nathan Deleault; Al Posnanski; Craig Lawler; and Selectman Scott Borthwick. Also present were Michael Capone, Vicky McAlister; and Shirley Packard.

David McAlister called the meeting to order at 7:00 P.M. and took attendance.

The Budget Committee voted to approve the following proposed department budgets for 2010 after brief discussion and simple clarifying questions were answered.

**Town Clerk/ Tax Collector Budget: 01-4140.10**

**MOTION** by Nathan Deleault and seconded by Denis Salvail to approve a total 2010 budget of \$74,370 for the town clerk/ town collector, as recommended by the Board of Selectmen on the 2010 budget worksheet.

**VOTE: 7 YES      0 NO      1 ABSTAIN [D. McAlister]**

**Elections Budget: 01-4140.20**

**MOTION** by Scott Borthwick and seconded by Nathan Deleault to approve a total 2010 budget of \$4,800 for the elections, as recommended by the Board of Selectmen on the 2010 budget worksheet.

**VOTE: 7 YES      0 NO      1 ABSTAIN [D. McAlister]**

**Executive Budget: 01-4130.10**

**MOTION** by Scott Borthwick and seconded by Craig Lawler to approve a total 2010 budget of 11,301 for the executive, as recommended by the Board of Selectmen on the 2010 budget worksheet.

Eleanor Davis suggested that all stipend positions should be set at \$5,000 per person in order to be equitable.

**VOTE: 7 YES      1 NO [E. Davis]**

**Town Administration Budget: 01-4130.20**

**MOTION** by Scott Borthwick and seconded by Denis Salvail to approve a total 2010 budget of \$61,262 for the town administration, as recommended by the Board of Selectmen on the 2010 budget worksheet.

**VOTE: Unanimous in the affirmative**

**Meetings Budget: 01-4130.30**

**MOTION** by Scott Borthwick and seconded by Craig Lawler to approve a total 2010 budget of \$3,040 for the meetings, as recommended by the Board of Selectmen on the 2010 budget worksheet.

**VOTE: Unanimous in the affirmative**

**Financial Administration Budget: 01-4150.10**

**MOTION** by Scott Borthwick and seconded by Craig Lawler to approve a total 2010 budget of \$70,898 for the financial administration, as recommended by the Board of Selectmen on the 2010 budget worksheet.

**VOTE: Unanimous in the affirmative**

**Budget Committee Budget: 01-4150.20**

**MOTION** by Scott Borthwick and seconded by Denis Salvail to approve a total 2010 budget of \$1,177 for the Budget Committee, as recommended by the Board of Selectmen on the 2010 budget worksheet.

**VOTE: Unanimous in the affirmative**

**Assessing Budget: 01-4150.30**

**MOTION** by Scott Borthwick and seconded by Denis Salvail to approve a total 2010 budget of \$89,843 for the assessing, as recommended by the Board of Selectmen on the 2010 budget worksheet.

**VOTE: Unanimous in the affirmative**

**Treasurer Budget: 01-4150.50**

**MOTION** by Scott Borthwick and seconded by Craig Lawler to approve a total 2010 budget of \$5,690 for the treasurer, as recommended by the Board of Selectmen on the 2010 budget worksheet.

**VOTE: 7 YES      1 NO [E. Davis]**

**Trustees of the Trust Fund Budget: 01-4150.55**

**MOTION** by Scott Borthwick and seconded by Craig Lawler to approve a total 2010 budget of \$594 for the Trustees of the Trust Fund, as recommended by the Board of Selectmen on the 2010 budget worksheet.

**VOTE: Unanimous in the affirmative**

**Data Processing Budget: 01-4150.60**

**MOTION** by Scott Borthwick and seconded by Craig Lawler to approve a total 2010 budget of \$2,500 for data processing, as recommended by the Board of Selectmen on the 2010 budget worksheet.

**VOTE: Unanimous in the affirmative**

**Legal Budget: 01-4153.10**

**MOTION** by Scott Borthwick and seconded by Craig Lawler to approve a total 2010 budget of \$47,500 for legal, as recommended by the Board of Selectmen on the 2010 budget worksheet.

**VOTE: Unanimous in the affirmative**

**Public Administration Budget: 01-4155.10**

**MOTION** by Scott Borthwick and seconded by Craig Lawler to approve a total 2010 budget of \$307,984 for public administration, as recommended by the Board of Selectmen on the 2010 budget worksheet.

Michael Capone summarized the negotiated health insurance benefit for the employees and the resulting savings to the town.

**VOTE: 6 YES      2 NO [E. Davis and D. Salvail]**

**Planning Board Budget: 01-4191**

**MOTION** by Scott Borthwick and seconded by Craig Lawler to approve a total 2010 budget of \$1,103 for the Planning Board, as recommended by the Board of Selectmen on the 2010 budget worksheet.

**VOTE: Unanimous in the affirmative**



**Government Buildings Budget: 01-4194.10**

**MOTION** by Nathan Deleault and seconded by John Bergeron to table any approval of the proposed government buildings budget until another meeting.

There was general discussion that the job description for the general repair position is under review at this time and an outcome regarding any needed salary adjustment should be known within the next few weeks.

**VOTE: Unanimous in the affirmative**

**Property and Liability Insurance Budget: 01-4196.10**

**MOTION** by Scott Borthwick and seconded by Craig Lawler to approve a total 2010 budget of \$47,091 for property and liability insurance, as recommended by the Board of Selectmen on the 2010 budget worksheet.

**VOTE: Unanimous in the affirmative**

**General Government Budget: 01-4199**

**MOTION** by Scott Borthwick and seconded by Craig Lawler to approve a total 2010 budget of \$38,035 for general government, as recommended by the Board of Selectmen on the 2010 budget worksheet.

Eleanor Davis suggested that the actual cell phone and pager expenses should be distributed between the department budgets, as the fuel expenses have been. Michael Capone explained that the cell phone contract, the present usage, and the number of phones and pagers are under review at this time but will not be resolved in time for this budget preparation process.

**VOTE: 7 YES      0 NO      1 ABSTAIN [E. Davis]**

**Ambulance Budget: 01-4215.10**

**MOTION** by Scott Borthwick and seconded by Craig Lawler to approve a total 2010 budget of \$55,000 for the ambulance, as recommended by the Board of Selectmen on the 2010 budget worksheet.

**VOTE: 6 YES      1 NO [E. Davis]      1 ABSTAIN [D. Salvail]**

**Building Inspector Budget: 01-4240.10**

**MOTION** by Scott Borthwick and seconded by Craig Lawler to approve a total 2010 budget of \$11,292 for the building inspector, as recommended by the Board of Selectmen on the 2010 budget worksheet.

**VOTE: Unanimous in the affirmative**

**Bridge Inspection Budget: 01-4313.20**

**MOTION** by Scott Borthwick and seconded by Denis Salvail to approve a total 2010 budget of \$1 for bridge inspection, as recommended by the Board of Selectmen on the 2010 budget worksheet.

**VOTE: Unanimous in the affirmative**

**Street Lighting Budget: 01-4316.10**

**MOTION** by Scott Borthwick and seconded by Denis Salvail to approve a total 2010 budget of \$10,000 for street lighting, as recommended by the Board of Selectmen on the 2010 budget worksheet.

**VOTE: Unanimous in the affirmative**

**Health Budget: 01-4413.10**

**MOTION** by Scott Borthwick and seconded by Denis Salvail to approve a total 2010 budget of \$1,040 for health, as recommended by the Board of Selectmen on the 2010 budget worksheet.

**VOTE: Unanimous in the affirmative**

**Cultural Budget: 01-4581.20**

**MOTION** by Scott Borthwick and seconded by Craig Lawler to approve a total 2010 budget of \$1,000 for cultural, as recommended by the Board of Selectmen on the 2010 budget worksheet.

It was noted that these funds are used towards the Old Home Day celebration.

**VOTE: 7 YES      1 NO [E. Davis]**

**Patriotic Budget: 01-4583.20**

**MOTION** by Scott Borthwick and seconded by Denis Salvail to approve a total 2010 budget of \$1 for patriotic, as recommended by the Board of Selectmen on the 2010 budget worksheet.

**VOTE: Unanimous in the affirmative**

**Conservation Funds Budget: 01-4611.10**

**MOTION** by Scott Borthwick and seconded by Denis Salvail to approve a total 2010 budget of \$1 for conservation funds, as recommended by the Board of Selectmen on the 2010 budget worksheet.

**VOTE: 7 YES      1 NO [D. Salvail]**

**Debt Service Budget: 01-4711, 01-4721, and 01-4723**

**MOTION** by Scott Borthwick and seconded by Denis Salvail to approve a total 2010 budget of \$117,056 for debt service, as recommended by the Board of Selectmen on the 2010 budget worksheet.

**VOTE: Unanimous in the affirmative**

**Improvements other than Buildings Budget: 01-4909.10**

**MOTION** by Scott Borthwick and seconded by Denis Salvail to approve a total 2010 budget of \$1 for improvements other than buildings, as recommended by the Board of Selectmen on the 2010 budget worksheet.

**VOTE: Unanimous in the affirmative**

**Capital Outlay Budget: account number unknown**

**MOTION** by Scott Borthwick and seconded by Denis Salvail to approve a total 2010 budget of \$1 for capital outlay, as recommended by the Board of Selectmen on the 2010 budget worksheet.

**VOTE: 7 YES      1 NO [E. Davis]**

**Public Comment:**

Shirley Packard asked why \$12,000 has been budgeted for the interest on tax ant notes. Michael Capone responded that there is no need at this time for the town to borrow any funds and that no funds have been borrowed for the past year and a half. Michael Capone explained that the funds are budgeted in case the towns are mandated to forward additional funds to the state government due to pending litigation.

**Approval of Minutes:**

Committee members reviewed draft copies of the October 15<sup>th</sup> and October 29<sup>th</sup> minutes.

**MOTION** by David McAlister and seconded by Scott Borthwick to accept the October 15, 2009 minutes, as amended.

Al Posnanski suggested revising “supplements” to “could supplement” on page two.

John Bergeron corrected that spelling of Corno Road on page one.

Eleanor Davis suggested adding “culverts” as part of the improvements that will be done regarding the possible land swap opportunity with Cardigan Mountain School.

**VOTE: Unanimous in the affirmative**

**MOTION** by David McAlister and seconded by Craig Lawler to accept the October 29, 2009 minutes, as written.

There were no corrections suggested at this time.

**VOTE: 5 YES 0 NO 3 ABSTAIN** [J. Bergeron, S. Borthwick, and N. Deleault]

**Chairmen’s Report:**

No report.

**Selectmen’s Report:**

Scott Borthwick summarized that the tax bills were mailed and that the overall tax rate was decreased by \$1.02.

**Next Meeting**

The next meeting is scheduled on November 17<sup>th</sup> at 7 P.M. at the fire station.

**MOTION** by Denis Salvail and seconded by Nathan Deleault to adjourn the meeting at 8:50 P.M.

**VOTE: Unanimous in the affirmative**

**TOWN OF CANAAN  
BUDGET COMMITTEE MEETING  
November 19, 2009  
Canaan Fire Station  
Final Copy**

Members present: Chair David McAlister; Eleanor Davis; Dave Barney; Russell Lester; John Bergeron; Nathan Deleault; Al Posnanski; Craig Lawler; and Selectman Scott Borthwick. Also present were Michael Capone, Phil and Patricia Carter, Nelson Therriault, Cindy Neily, Representative Charles Townsend, Beth Wolf, Karen Wolk, Jan Stryker of Visiting Nurses Association, Peggy O'Neil of WISE, and Joie Finley Morris of TRI-CAP.

David McAlister called the meeting to order at 7:01 P.M. and took attendance.

The Budget Committee voted to approve the following proposed department budgets for 2010 after brief discussion and simple clarifying questions were answered.

**Welfare Budget: 01-4441 and 01-4445**

**MOTION** by Scott Borthwick and seconded by Dave Barney to approve a total 2010 budget of \$65,421 for welfare, as recommended by the Board of Selectmen on the 2010 budget worksheet.

Nelson Therriault summarized statistics of the increasing number of individuals who have turned to the town for assistance over the past three years. Residency requirements, the work assistance program, the voucher system, and tax liens were also discussed.

**VOTE: Unanimous in the affirmative**

**Cemetery Budget: 01-4195.10**

**MOTION** by Russell Lester and seconded by Dave Barney to approve a total 2010 budget of \$26,175 for the cemetery, as recommended by the Board of Selectmen on the 2010 budget worksheet.

There was no vote taken on this motion at this time.

Phil Carter requested that one dollar be added to the equipment line item.

**AMENDED MOTION** by Dave Barney and seconded by Russell Lester to add one dollar to the equipment line item for the 2010 cemetery budget.

**VOTE: Unanimous in the affirmative**

**MOTION** by Dave Barney and seconded by Russell Lester to approve a total 2010 budget of \$26,176 for the cemetery.

Eleanor Davis expressed concern that there is too much budgeted in the full time salary line item if the hourly rate is \$15.86 for twenty hours per week and 26 weeks and that too little is budgeted in the part time line item if the hourly rate is \$10.00 per hour for forty hours and 26 weeks.

**VOTE: 8 YES      0 NO      1 ABSTAIN [E. Davis]**

**Recreation Budget: 01-4520**

**MOTION** by Craig Lawler and seconded by Russell Lester to approve a total 2010 budget of \$3,753 for recreation, as recommended by the Board of Selectmen on the 2010 budget worksheet.

Scott Borthwick summarized that the Board of Selectmen has appointed six individuals to reestablish the Recreation Committee, a recreation program, and the future operating budgets.

**VOTE: Unanimous in the affirmative**

**Transfer Station Budget: 01-4323.10 and 01-4324**

**MOTION** by Scott Borthwick and seconded by Craig Lawler to approve a total 2010 budget of \$215,860 for the transfer station, as recommended by the Board of Selectmen on the 2010 budget worksheet.

There was general discussion regarding the change to a dual stream recycling program and the possible change to a single stream recycling program in the future in order to encourage more recycling. Scott Borthwick explained that the Board of Selectmen chose not to invest funds in a storage facility, as was recommended by the Transfer Station Committee, since the revenue from recyclables can vary significantly. Al Posnanski explained that the dual stream recycling program does add additional cost for hauling and that the committee had simply recommended a deferment of the dual stream recycling program until the single stream recycling is available and as long as the current recycling program was earning revenues for the town. Michael Capone noted that the dual stream recycling program will reduce labor and utility costs. It was noted that the contract with the Town of Orange expires next March and that program changes may impact either the cost or participation of Orange in the future.

**VOTE: Unanimous in the affirmative**

**Library Budget: 01-4551.20**

**MOTION** by Russell Lester and seconded by Dave Barney to approve a total 2010 contribution of \$107,124 for the library, as recommended by the Board of Selectmen on the 2010 budget worksheet.

There was no vote taken on this motion at this time.

Beth Wolf noted that Gloria Koch has adjusted the salary, benefits, FICA, and retirement line items, which has increased their proposed budget request to \$109,899. Michael Capone responded that his copy from Gloria Koch with the adjusted salary and benefits totals \$109,810.

**AMENDED MOTION** by Dave Barney and seconded by Russell Lester to revise the total 2010 contribution from \$107,124 to \$109,810 for the library.

Eleanor Davis suggested that the budgeting format for the library should be consistent with the other department budgets in regards to benefit and utility costs.

**VOTE: 8 YES      0 NO      1 ABSTAIN [C. Lawler]**

**MOTION** by Russell Lester and seconded by Dave Barney to approve a total 2010 contribution of \$109,810 for the library.

**VOTE: 7 YES      0 NO      2 ABSTAIN [C. Lawler and E. Davis]**

**Advertising and Regional Budget:**

**MOTION** by Dave Barney and seconded by John Bergeron to approve a total 2010 budget of 24,550 for the advertising and regional budget.

Dave Barney distributed a handout and explained that his proposed figure of \$24,550 is approximately ninety percent of what was approved by the voters last year. Dave Barney noted that West Central Services was not included since they are submitting a separate warrant article.

Eleanor Davis commented that tax payers already contribute funding for these social services through their county taxes and provided specific examples. Eleanor Davis also noted that the town provides a building, plowing services, and property tax exemptions for social services.

Peggy O'Neil, Joie Finley Morris, Charles Townsend, Jan Stryker, Dave Barney of the Goose Pond Lake Association, and John Bergeron of the Canaan Lake Association provided comments regarding their multiple funding sources, their losses in government or private funding, their operating budgets, their direct contribution to Canaan residents, and the overall decrease in calls for assistance to the town due to their available services.

Several committee members commented that individual tax payers should be able to pick the non-profit organizations that they wish to donate to and that the Budget Committee should not be authorized to donate tax payer dollars.

Scott Borthwick noted that the use of petition warrant articles was suggested at a previous meeting. Scott Borthwick added that revenue sharing from the State of NH has been eliminated, which was approximately \$40,000 for the Town of Canaan. Scott Borthwick summarized that the towns are being forced to cut back on their operating budgets.

John Bergeron commented that the Board of Selectmen is not obligated to provide funds to the advertising and regional line items even if the voters approve a total budget figure that includes allocations in the advertising and regional line items. John Bergeron summarized that a petition warrant articles are the best way to secure funds from the towns.

Russell Lester commented that the increase in the monthly payment to the school district budget has impacted what the town can provide in future operating budgets.

**VOTE: 2 YES** [D. Barney and J. Bergeron]      **7 NO**

Al Posnanski suggested that funds for the two lake associations should be supported since the lakes are an asset to the town.

**MOTION** by David McAlister and seconded by John Bergeron to fund \$1,800 for the Goose Pond Lake Association and \$1,800 for the Canaan Lake Association in the 2010 budget.

There was no vote taken on this motion at this time.

**MOTION** by John Bergeron and seconded by Dave Barney to add one dollar to all of the other advertising and regional line items in order to allow flexibility to the Board of Selectmen.

**VOTE: 2 YES** [J. Bergeron and D. Barney]      **7 NO**

**MOTION** by David McAlister and seconded by John Bergeron to fund \$1,800 for the Goose Pond Lake Association and \$1,800 for the Canaan Lake Association in the 2010 budget.

**VOTE: 5 YES**      **4 NO** [C. Lawler, R. Lester, S. Borthwick, and E. Davis]



**Water Budget: 03-4331, 03-4332, and 03-4335**

**MOTION** by Craig Lawler and seconded by Russell Lester to approve a total 2010 budget of \$82,182 for the water budget, as recommended by the Board of Selectmen on the 2010 budget worksheet.

There was no vote taken on this motion at this time.

Eleanor Davis expressed concern that she needs a better understanding of the revenues since she believes that the water users are subsidizing the sewer users.

**MOTION** by Eleanor Davis and seconded by Dave Barney to table this vote and receive an estimated revenue report before the Budget Committee votes on the water budget.

Michael Capone summarized the administrative efforts toward improving the town's water and sewer systems and resolving tax payers concerns.

Russell Lester commented that the Budget Committee should not be concerned with the details as long as the administration can confirm that the water and sewer budgets are not being supported by tax payer dollars.

**VOTE: 5 YES 3 NO** [R. Lester, C. Lawler, S. Borthwick] **1 ABSTAIN** [J. Bergeron]

Denis Salvail arrived at this time.

**Sewer Budget: 03-4326.10 and 03-4327**

**MOTION** by Russell Lester and seconded by Craig Lawler to approve a total 2010 budget of \$94,643 for the sewer budget, as recommended by the Board of Selectmen on the 2010 budget worksheet.

There was no vote taken on this motion at this time.

**MOTION** by Eleanor Davis and seconded by David McAlister to table this vote and receive an estimated revenue report before the Budget Committee votes on the sewer budget.

**VOTE: 7 YES 3 NO** [R. Lester, C. Lawler, and S. Borthwick]

Michael Capone requested direction as to what specific information would the committee members like to review for estimated revenues. There was general discussion that the estimated revenues would be more adequately calculated in January after the close of the 2009 year. John Bergeron suggested a review of the 2007 or 2008 totals or any twelve consecutive months that is convenient to access from a previous audit report. There was general discussion that review of the estimated revenues would not be possible until the December 17<sup>th</sup> meeting.

**MOTION** by Nathan Deleault and seconded by Russell Lester to reconsider the tabling of the votes for the water and sewer budgets.

**VOTE: Unanimous in the affirmative**

**MOTION** by Dave Barney and seconded by Nathan Deleault to approve \$176,825 for the water and sewer budgets, as recommended by the Board of Selectmen on the 2010 budget worksheet.

**VOTE: 9 YES                      1 NO [E. Davis]**

Scott Borthwick expressed concern that there is a conflict of interest when representatives of the two lake associations have voted to approve a 2010 budget appropriation for their associations when none of the other advertising and regional line items were supported. John Bergeron agreed and suggested that petition warrant articles should be submitted for the two lake associations. There was general discussion that protection of the town's water bodies is a necessary maintenance issue and not a donation to a charitable organization.

**MOTION** by Eleanor Davis and seconded by David McAlister to move the approved \$3,600 appropriation for the lake associations from the advertising and regional budget to the recreation budget and for the specific line items be identified at a later time.

**VOTE: 9 YES              0 NO              1 ABSTAIN [C. Lawler]**

**Recreation Budget:**

**MOTION** by Scott Borthwick and seconded by David McAlister to approve a revised total 2010 budget of \$7,353 for the recreation budget and for the specific line items to be identified at a later time.

**VOTE: 8 YES              2 NO [D. Salvail and C. Lawler]**

**Approval of Minutes:**

Committee members reviewed draft copies of the November 5<sup>th</sup> minutes.

**MOTION** by David McAlister and seconded by Russell Lester to accept the November 5, 2009 minutes, as presented.

There were no corrections suggested at this time.

**VOTE: 8 YES              0 NO              2 ABSTAIN [D. Barney and R. Lester]**

**Chairmen's Report and Selectmen's Report:**

No reports were provided at this time.

**Next Meeting:**

The next meeting is scheduled on December 3<sup>rd</sup> at 7 P.M.

**Public Comment:**

Karen Wolk commented that the voters who approved the use of available stimulus funds for water system needs did not understand that the Board Selectmen can choose to not utilize the stimulus funds and to use the water and sewer surplus funds instead.

Michael Capone noted that the NH retirement line item in the police department budget needs to be revised to \$38,365 and that the total police department budget should be revised to \$485,098.

**MOTION** by Craig Lawler and seconded by Dave Barney to adjourn the meeting at 9:26 P.M.

**VOTE: Unanimous in the affirmative**

**TOWN OF CANAAN  
BUDGET COMMITTEE MEETING  
December 3, 2009  
Canaan Fire Station  
Approved Copy**

Members present: Chair David McAlister; Eleanor Davis; Denis Salvail; Dave Barney; Russell Lester; John Bergeron; Nathan Deleault; Al Posnanski; and Selectman Scott Borthwick. Also present were Michael Capone, Larry Brabant, Bob Scott, Chief Bill Bellion, Chief Sam Frank, and Karen Wolk.

David McAlister called the meeting to order at 7:03 P.M. and took attendance. The Budget Committee voted to approve the following proposed department budgets for 2010 after discussion and clarifying questions were answered.

**Mechanic: 01-4299.10**

**MOTION** by Scott Borthwick and seconded by Russell Lester to approve a total 2010 budget of \$119,725 for the mechanic budget, as recommended by the Board of Selectmen on the 2010 budget worksheet.

There was no vote taken on this motion.

Dave Barney initiated a discussion whether the budget cuts proposed by the Board of Selectmen are too excessive. Scott Borthwick commented that the Board of Selectmen is confident that emergency funds would be available from the undesignated fund, if needed. There was general discussion that the costs for parts have increased but that Larry Brabant's absence this year during his surgery has created some budget savings to cover the over expenditure in the repair parts line item.

**AMENDED MOTION** by Dave Barney and seconded by Russell Lester to approve a total 2010 budget of \$125,725 for the mechanic budget by adding \$6,000 to the repair parts line item.

**VOTE: 5 YES**                      **4 NO** [E. Davis, D. Salvail, N. Deleault, S. Borthwick]

**MOTION** by Dave Barney and seconded by Russell Lester to approve a revised total 2010 budget of \$125,725 for the mechanic budget.

**VOTE: 7 YES**                      **2 NO** [E. Davis, D. Salvail]

**Highway: 01-4311 and 01-4312**

**MOTION** by Scott Borthwick and seconded by Dave Barney to approve a total 2010 budget of \$51,065 for the highway road agent salary, as recommended by the Board of Selectmen on the 2010 budget worksheet.

**VOTE: Unanimous in the affirmative**

**MOTION** by Scott Borthwick and seconded by Dave Barney to approve a total 2010 budget of \$431,234 for the highway budget [line items 01-4312.10 and 01-4312.20], as recommended by the Board of Selectmen on the 2010 budget worksheet.

There was no vote taken on this motion at this time.

There was general clarification that approximately \$64,000 of the \$100,888.17 listed in the 2009 fuel expenses line item was used for the purchase of a truck and that budget adjustments will be made later in December by the Board of Selectmen.

**AMENDED MOTION** by Eleanor Davis and seconded by Russell Lester to approve a revised total 2010 budget of \$367,234 for the highway budget [line items 01-4312.10 and 01-4312.20].

Eleanor Davis explained that \$64,000 should be reduced from this budget if extra funds were available to purchase a truck. Michael Capone responded that the savings resulted from reduced diesel and fuel pricing.

**VOTE: 1 YES [E. Davis] 8 NO**

**MOTION** by Scott Borthwick and seconded by Dave Barney to approve a total 2010 budget of \$431,234 for the highway budget [line items 01-4312.10 and 01-4312.20], as recommended by the Board of Selectmen on the 2010 budget worksheet.

**VOTE: 7 YES 1 NO [E. Davis] 1 ABSTAIN [D. Salvail]**

**MOTION** by Russell Lester and seconded by Dave Barney to approve a total 2010 budget of \$338,713 for the highway budget [line items 01-4312.30 and 01-4312.4], as recommended by the Board of Selectmen on the 2010 budget worksheet.

Bob Scott commented that the backhoe and loader need replacement so he does not support the proposed budget cuts from his sand and gravel line items. There was general discussion that intended equipment purchases should be include in the capital outlay budget and should not be “buried” in the operating budget. Russell Lester suggested that the funds for equipment should be requested in a warrant article from capital reserve funds.

**VOTE: Unanimous in the affirmative**

**Fire Department: 01-4220**

**MOTION** by Scott Borthwick and seconded by Dave Barney to approve a total 2010 budget of \$71,852 for the Fire Department budget, as recommended by the Board of Selectmen on the 2010 budget worksheet.

There was no vote taken on the motion.

Bill Bellion reviewed the over expenditures and the actual operating costs for this year.

**AMENDED MOTION** by Eleanor Davis and seconded by John Bergeron to approve a part time salaries line item of \$30,000, to approve a FICA/Medicare line item of \$2,350, to approve a water & sewer line item of \$5,600, and to approve a dues and subscriptions line item of \$1,800 for the 2010 Fire Department budget.

**VOTE: Unanimous in the affirmative**

**MOTION** by Eleanor Davis and seconded by John Bergeron to approve a revised total 2010 budget of \$81,602 for the Fire Department budget.

**VOTE: Unanimous in the affirmative**

**Emergency Management: 01-4290**

**MOTION** by Dave Barney and seconded by Russell Lester to approve a total 2010 budget of \$48,502 for the emergency management budget, as recommended by the Board of Selectmen on the 2010 budget worksheet.

There was no vote taken on this motion.

There was general discussion of how the surrounding towns budget for Director and Assistant Director salaries. Bell Bellion explained the time commitment and the responsibilities involved regarding planning for emergency management.

**AMENDED MOTION** by Eleanor Davis and seconded by Dave Barney to approve a salary line item of \$3,300 and a FICA/Retirement line item of \$310 for the 2010 Budget Committee budget, as recommended by the 2010 Department Budget.

**VOTE: Unanimous in the affirmative**

**MOTION** by Eleanor Davis and seconded by Dave Barney to approve a revised total 2010 budget of \$52,110 for the emergency management budget.

**VOTE: Unanimous in the affirmative**

**Police Department: 01-4551.20**

**MOTION** by Dave Barney and seconded by John Bergeron to approve a total 2010 budget of \$485,098 for the Police Department budget, as recommended by the Board of Selectmen on the 2010 budget worksheet.

There was no vote taken on this motion at this time.

Sam Frank explained that the cost for a new police cruiser has been included in the equipment line item, which was recommended by the Board of Selectmen. There was general discussion that the police cruiser should be listed in the capital outlay budget and should not be “buried” in the operating budget. Eleanor Davis suggested that equipment should only be requested in a warrant article since the Board of Selectmen could choose to spend those designated funds in other ways.

**AMENDED MOTION** by Dave Barney and seconded by Nathan Deleault to remove \$30,000 from the equipment line item of the Police Department budget and to add \$30,000 to the capital outlay budget of the 2010 budget.

**VOTE: 8 YES                      1 NO [E. Davis]**

Sam Frank explained his rationale for an increase to \$64,000 for the Police Chief salary. Sam Frank also explained that the \$10,000 budgeted by the Board of Selectmen for the overtime line item is not enough to cover the holiday pay that the town is obligated to pay according to the union contract. Scott Borthwick responded that the line item was reduced due to the two part time officers that will be hired next year. Sam Frank clarified that the two officers will not be available until March and August if they accept the positions.

**MOTION** by John Bergeron and seconded by Dave Barney to approve a part **time** salary line item of \$77,000 and an overtime line item of \$34,000 for the 2010 Budget Committee budget, as recommended by the 2010 Department Budget.

**VOTE: Unanimous in the affirmative**

**MOTION** by John Bergeron and seconded by Dave Barney to approve a revised total 2010 budget of 459,840 for the Police Department budget.

**VOTE: Unanimous in the affirmative**

Sam Frank commented that the \$4,000 budgeted by the Board of Selectmen for the uniform line item is not enough to purchase any needed clothing replacements for eleven people when the town is obligated to spend \$3,000 for replacement ballistic vests according to the union contract.

**MOTION** by Dave Barney and seconded by John Bergeron to approve a uniform line item of \$6,500, as recommended by the 2010 Department Budget.

**VOTE: 8 YES**

**0 NO**

**1 ABSTAIN [R. Lester]**

**MOTION** by John Bergeron and seconded by Dave Barney to approve a revised total 2010 budget of 462,340 for the Police Department budget.

**VOTE: Unanimous in the affirmative**

**Government Buildings:**

There was general consensus to postpone the review of the Government Buildings budget until the December 17<sup>th</sup> meeting. The December 17<sup>th</sup> agenda will include review of anticipated revenues, Government Buildings, the Selectmen's equipment inventory list, a draft copy of possible warrant articles, and the default budget.

Michael Capone distributed copies of an updated report dated November 30, 2009, regarding revenues.

**Approval of Minutes:** Committee members reviewed draft copies of the November 19<sup>th</sup> minutes.

**MOTION** by David McAlister and seconded by Russell Lester to accept the November 19<sup>th</sup>, 2009 minutes, as presented.

There were no corrections suggested at this time.

**VOTE: Unanimous in the affirmative**

**Chairmen's Report and Selectmen's Report:** No reports were provided at this time.

**Next Meeting:** The next meeting is scheduled on December 17<sup>th</sup> at 7 P.M. at the Senior Center.

Michael Capone suggested that the name of the new line item in the recreation budget for the appropriated lake association funds could be "Inspection and Treatment." It was suggested that the name should be more specific.

There was general discussion and consensus to schedule the Budget Committee's review of the warrant articles on January 13<sup>th</sup> before the Public Hearing on January 14<sup>th</sup>.

**Public Comment:**

John Bergeron noted that Plymouth State officials will be attending the December 10<sup>th</sup> Planning Board meeting to discuss land use and watershed protection in regards to the town's drinking water.

**MOTION** by Nathan Deleault and seconded by Dave Barney to adjourn the meeting at 10:23 P.M.

**VOTE: Unanimous in the affirmative**



**TOWN OF CANAAN  
BUDGET COMMITTEE MEETING  
December 17, 2009  
Senior Center  
Approved as written 4-4-2010**

Members present: Chair David McAlister; Eleanor Davis; Denis Salvail; Russell Lester; Nathan Deleault; John Bergeron; and Al Posnanski. Also present were Michael Capone and Shirley Packard.

David McAlister called the meeting to order at 7:08 P.M. and took attendance.

**Budget Review: Government Buildings**

Michael Capone summarized that the following revisions have been made to the 2010 Selectmen's Budget: the salary line was increased to \$30,168, the FICA/MEDI line item was increased to \$2,310, the retirement line item was increased to \$2,765, and, therefore, the government buildings budget total has increased to \$81,893.

**MOTION** by Russell Lester and seconded by David McAlister to approve a revised 2010 budget of \$81,893 for the government buildings budget, as recommended by the Board of Selectmen.

Michael Capone explained that the job description for the building and grounds position was evaluated by NHMA at the request of the Board of Selectmen and that the increases reflect an entry level salary based on the recommendation of the NHMA.

Eleanor Davis commented that this position was never approved by the voters.

**VOTE: 5 YES      2 NO [E. Davis and D. Salvail]**

**MOTION** by John Bergeron and seconded by Russell Lester to reconsider the appropriation for the Police Chief's salary.

Russell Lester commented that no other town employees are receiving salary increases so he can not support an increase for the Police Chief although he believes that the Police Chief is underpaid.

Eleanor Davis expressed concern with salary increases that were provided to specific police officers outside of the negotiated contract. Denis Salvail suggested that the salary histories for each officer be reviewed. Michael Capone offered to discuss this concern with Gloria Koch.

Michael Capone summarized the results of the wage study that was completed in 2005 for town positions, including the Police Chief. Michael Capone offered to check the current salary of each town employee to verify that these salaries fall within the study's recommended wage range.

There was general discussion that the Town of Canaan offers a better benefits package compared to the surrounding towns even though the salaries may be lower.

**VOTE: 1 YES** [J. Bergeron]            **6 NO**

**MOTION** by John Bergeron and seconded by Eleanor Davis to consider transferring the UVLSRPC line item [01-4197.11-560] from the Area Regional Agencies budget to the Planning Board budget with one dollar allocated to the line item.

John Bergeron explained that the UVLSRPC primarily works with planning boards and that he does not want the town to miss out on any grant funding opportunities when no funds are allocated. There was general discussion that nothing has been budgeted for this line item in past years since there was a general sense that the town was not benefiting from the previous annual dues paid.

**VOTE: 5 YES**                            **2 NO** [E. Davis and D. Salvail]

**MOTION** by Davis McAlister and seconded by Russell Lester to approve a revised 2010 Planning Board budget of \$1,104.

**VOTE: 5 YES**                            **2 NO** [E. Davis and D. Salvail]

Michael Capone noted that the quote from the Grafton County Prosecutor has been received and that the line item can be decreased from \$30,000 to \$27,138.

**MOTION** by David McAlister and seconded by Russell Lester to reconsider the Grafton County Prosecutor line item and to revise the allocation to \$27,138.

**VOTE: Unanimous in the affirmative**

**MOTION** by Davis McAlister and seconded by Russell Lester to approve a revised 2010 Legal budget of \$44,638.

**VOTE: Unanimous in the affirmative**

There was general discussion and consensus that the line item descriptions of Canaan Lake Association and Goose Pond Lake Association should be maintained but that the two line items should be transferred to the recreation budget, as already approved.

**Revenues**

Committee members reviewed updated handouts regarding current revenues received for 2009 and anticipated revenues for 2010. Committee members also reviewed the water and sewer expenses. Michael Capone answered general questions regarding the figures provided.

### **Default Budget**

Committee members reviewed draft copies of the 2010 default budget. Michael Capone summarized the process used to generate the default budget. General discussion ensued regarding what is the default budget.

### **Other**

Michael Capone summarized that the changes approved at the last Budget Committee meeting for the part time and overtime line items have created a need to adjust the associated benefit costs and, therefore, the bottom line of the Police Department budget to \$464,730.

**MOTION** by David McAlister and seconded by Eleanor Davis to approve a revised 2010 budget of \$464,730 for the Police Department budget.

### **VOTE: Unanimous in the affirmative**

Al Posnanski asked whether the salary lines of the transfer station need to be adjusted if next year's hours have been reduced. Michael Capone responded that the Board of Selectmen is currently reviewing the figures and that adjustments will most likely be needed.

### **Capital Outlay budget**

There was general review that the Budget Committee removed the proposed funds for the police cruiser from the Police Department budget at the last meeting.

**MOTION** by Nathan Deleault and seconded by David McAlister to add \$30,000 to a machinery vehicles and equipment line item of the capital outlay budget for the purchase of a police cruiser.

**VOTE: 6 YES 1 NO [E. Davis]**

### **Approval of Minutes:**

Committee members reviewed draft copies of the December 3<sup>rd</sup>, 2009, minutes.

John Bergeron corrected the misspelling of "recommended" on page one.

Eleanor Davis corrected "part-time salary" on page four.

**MOTION** by Eleanor Davis and seconded by David McAlister to accept the December 3<sup>rd</sup>, 2009, minutes, as amended.

### **VOTE: Unanimous in the affirmative**

### **Chairmen's Report and Selectmen's Report:**

No reports were provided at this time.

**Next Meeting:** The next meeting is scheduled on January 13<sup>th</sup> at 7 P.M. to discuss the warrant articles, the warrant, and any budget adjustments that may be needed at that time.

**Public Comment:**

Shirley Packard asked what will happen if a warrant article is submitted for a police cruiser. David McAlister responded that he will suggest that the funds be removed from the proposed operating budget if a warrant article is proposed.

Shirley Packard commented that setting salaries has been the responsibility of the Board of Selectmen so the Budget Committee should not be adjusting salary or salary related line items. There was general clarification that salary and salary related adjustments made by the Board of Selectmen impact the bottom line figures that the Budget Committee approve.

Shirley Packard asked whether there are any “strings attached” to the water related grant funding that is being discussed by the Planning Board. John Bergeron responded that the details are not fully known at this time but that the “strings attached” are no more than what the EPA is already requiring from the town.

Michael Capone noted that there may possibly be petition warrant articles for funding of the senior center and \$200,000 for paving.

**MOTION** by Nathan Deleault and seconded by Al Posnanski to adjourn the meeting at 9:45 P.M.

**VOTE: Unanimous in the affirmative**

