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**TOWN OF CANAAN
BUDGET COMMITTEE MEETING
January 13, 2010
Canaan Senior Center
Approved with corrections March 4, 2010
By
Russell Lester Secretary**

Members Present: Chair David McAlister, Eleanor Davis, Denis Salvail, Dave Barney, Russell Lester, Nathan Deleault, Al Posnanski, Craig Lawler, John Bergeron, Selectman Scott Borthwick, and Michael Capone—Town Administrator.

David McAlister called the meeting to order at 7:02 P.M. and took attendance. David explained that the Budget Committee would be discussing the articles in the warrant. Everyone had an updated warrant article list and a new spreadsheet updated on January 13, 2010. There were a few adjustments that Michael Capone explained:

The Selectmen made salary adjustments to a few transfer station line items. With Glenn Carey no longer employed by the Town of Canaan, the Selectmen discussed what to do with his position and line items that correspond. They decided to fund the salary line item and related lines at half the original cost so they will have money available at a future point if changes are needed at the transfer station. That will also change the FICA/Medicare and Retirement lines.

There is also change to the C&D Hauling Services line. The Budget Committee had voted for \$0.00 funding for that line item. After discussion with Hammonds about moving the containers to their site, they asked if the Town would wait until the spring to move them. Hammonds offered an incentive to wait, and lowered their price. So the Selectmen added \$2000.00 to that line, upon approval of the Budget Committee. After all adjustments to the line items mentioned are added up the bottom number for the Transfer Station would be \$195,500.

Scott Borthwick made a motion to accept the changes to the budget as follows:

- Line item 01-4323.10-110 would be \$19,000
- Line item 01-4323.10-225 would be \$ 4,210
- Line item 01-4323.10-230 would be \$ 1,830
- Line item 01-4324.40-390 would be \$ 2,000

For a total budget for the Transfer Station of \$195,500, second by Denis Salvail. After a brief discussion about having enough money to fund building repairs in the town, the Budget Committee voted, with 1 no and 9 yes so the ayes have it.

David **McAlister** also pointed out that in the Police Department section of the budget, the 2009 Encumbrances were added under line item 01-4210.10-740 in the amount of \$1558.00, and under line item 01-4210.10-750 in the amount of \$850.00.

Next on the agenda was voting on the warrant articles. Any articles that have a monetary figure the Budget Committee will vote to either recommend or not recommend.

**TOWN OF CANAAN
BUDGET COMMITTEE MEETING
PUBLIC HEARING
January 14, 2010
Canaan Senior Center**

Approved as written 6-17-2010

Members Present: Chair David McAlister, Eleanor Davis, Denis Salvail, Dave Barney, Russell Lester, Nathan Deleault, Al Posnanski, Craig Lawler, John Bergeron, Selectman Scott Borthwick, and Michael Capone—Town Administrator.

Public Present: Robert Reagan, George Lazarus, Cindy Neily, James Rancore, Sam Frank, Reginald Barney, Bill Bellion, Philip Salvail, David Lester, Jonathan Hall, Karen Wolk, Matt Wilson, and Amy Thurber; Vicky McAlister as minute taker.

Chair David McAlister called the meeting to order at 7:00 and took attendance. David gave a short review of how the public hearing would proceed, and introduced the Board Members.

Each Board Member had a section of the budget to go over, and if the public had any questions that person would answer along with the other Budget Members.

Eleanor Davis started with the following line item numbers:

(Selectmen's budget) 01-4130.10-110 through 01-4130.10-690 with a total of \$11,301.00 which is a decrease from the 2009 budget.

(Town Administrator's budget) 01-4130.20-110 through 01-4130.20-560 for a total of \$61,262.00 which is a decrease from the 2009 budget.

(Town Meeting budget) 01-4130.30-130 through 01-4130.30-690 for a total of \$3,040.00 which is a decrease from the 2009 budget.

(Town Clerk/Tax Collector's budget) 01-4140.10-120 through 01-4140.10-820 for a total of \$74,370.00 which is up slightly.

(Elections) line item 01-4140.20-620, 690, and 01-4140.30-550 for a total of \$4,800 which is up to prepare for 3 elections in 2010.

(Accounting budget) 01-4150.10-110 through 01-4150.01-630 for a total of \$70,898.00 which is a decrease from the 2009 budget.

(Budget Committee budget) 01-4150.20-110 through 01-4150.20-690 for a total of \$1,177.00 which is a decrease from the 2009 budget.

(Assessing budget) 01-4150.30-110 through 01-4150.30-560 for a total of \$89,843.00 which is a decrease from the 2009 budget.

(Treasurer budget) 01-4150.50-120 through 01-4150.50-620 for a total of \$5,690.00 which is a decrease from the 2009 budget.

(Trustees of the Trust Fund budget) 01-4150.55-130 through 01-4150.55-225 for a total of \$594.00 for a decrease due to the legal line going from \$1000.00 to \$1.00.

(Data Processing budget) 01-4150.60-330 and 01-4150.60-740 for a total of \$2,500.00

which is a decrease from the 2009 budget.

(Legal Budget) 01-4153.10-320 through 01-4153.10-690 for a total of \$44,638.00 which is a decrease from the 2009 budget.

(Personnel Administration budget) 01-4155.10-210 through 01-4155.10-690 for a total of \$307,984.00 which is a decrease from last year mainly due to a new health insurance plan.

(Planning Board budget) 01-4191.10-110 through 01-4191.30-830 for a total of \$1,104.00 which is a decrease from the 2009 budget.

There were no questions from the public.

Dave Barney presented the following line items:

(General Government Buildings budget) 01-4194.10-110 through 01-4194.10-660 for a total of \$81,893.00 which is a decrease from the 2009 budget.

(Cemetery Maintenance budget) 01-4195.10-110 through 01-4195.10-830 for a total of \$26,176.00 which is a decrease from the 2009 budget.

Sam Frank enquired about the Salary line item under Government Buildings going up in 2010. David McAlister explained that there was no job description for this position, so it was presented to the NHMA for evaluation, and they gave a job description and salary recommendation to the Selectmen for review.

Bill Bellion asked about having a review of the Fire Department job descriptions. It was suggested that the Selectmen do a review of all the job descriptions in 2010.

(Insurance Property & Liability) 01-4196.10-520 for a total of \$47,091.00 which is level funded from 2009.

(General Government budget) 01-4199.10-341 through 01-4199.10-390 for a total of \$38,035.00 which is a decrease from the 2009 budget.

(Advertising & Regional Associations budget) 01-4197.10-560 through 01-4197.24-560 for a \$0.00 balance, down from the 2009 budget of \$33,500.

There was discussion concerning the Selectmen cutting out the money for the Regional Agencies and putting it in the undesignated fund balance. Dave Barney spoke to DRA about this, and there was confusion about how to proceed with the funding for the Regional line items. Many of the agencies submitted warrant articles this year. The two lake associations were moved to parks and recreation.

John Bergeron presented the following line items:

(Police Department budget) 01-4210.10-110 through 01-4210.40.390 for a total of \$464,730.00 which is a decrease from the 2009 budget.

There are fewer full-time police officers so that is decreased. Sam would like a raise to keep up with the union police officers. Fuel line item decreased. David Lester asked about the equipment line, and why \$30,000 was pulled out. David McAlister explained that it was pulled out and put in the Capital Outlay Equipment line 01-4902.10-370 to be designated for a Police Cruiser.

(Ambulance budget) 01-4215.10-390 is at \$55,000.00 which is level funded from 2009.

(Fire Department budget) 01-4220.10-120 through 01-4220.90-680 for a total of \$81,602.00 which is a decrease from the 2009 budget.

(Building Inspector budget) 01-4240.10-120 through 01-4240.10-802 for a total of \$11,292.00 which is level funded from 2009.

(Emergency Management budget) 01-4290.10-110 through 01-4290.50-390 for a total of \$52,110.00 which is a decrease from the 2009 budget.

(Mechanic budget) 01-4299.10-110 through 01-4299.10-680 for a total of \$125,725.00 which is a decrease from the 2009 budget.

(Highway Administration budget) 01-4311.10-120 through 01-4311.10-230 for a total of \$51,065.00 which is level funded from 2009.

(Highway Department budget) 01-4312.10-390 through 01-4312.20-610 for a total of \$431,234.00 which is a decrease from the 2009 budget mostly due to the decrease in fuel costs.

(Road Maintenance Budget) 01-4312.30-610 through 01-4312.42-610 for a total of \$338,713.00 which is a decrease from the 2009 budget. Processing our own gravel and sand is cutting costs.

(Bridge Inspection) 01-4313.20-310 is kept at \$1.00.

(Street Lighting budget) 01-4316.10-410 is \$10,000 which is a decrease from the 2009 budget. There was a survey done, and the Selectmen asked to take out the non-essential street lights. There are lights that the town is being charged for and we don't have. Sam Frank asked to have a list of the lights that will be turned off.

No more questions.

Al Posnanski presented the following line items:

(Transfer Station budget) 01-4323.10-110 through 01-4324.40-720 for a total of \$195,500 which is a decrease from the 2009 budget. **The town has gone to a dual-stream recycling system.** A salary position has been eliminated, but the Selectmen have left half of the line item amount there to have money available at a future point if changes are needed at the transfer station. There was general discussion concerning the advantages of dual-stream versus the old system.

Russell Lester presented the following line items:

(Health Officer budget) 01-4413.10-120 through 01-4415.10-680 for a total of \$1,040.00 which is level funded from 2009.

(Welfare budget) 01-4441.10-130 through 01-4445.16-810 for a total of \$65,421.00 which is an increase from 2009. There has been an increase in cases.

(Recreation budget) 01-4520.10-120 through 01-4520.20-560 for a total of \$7,353.00 which is an increase from 2009 due to the line items for the Canaan Lake Association and Goose Pond Association being moved from Regionals.

(Library Annual Contribution) 01-4551.20-810 for a total of \$109,810.00 which is a decrease from the 2009 budget.

(CUL Other Recreation which is Old Home Days) 01-4581.20-810 is \$1000.00 which is

level funded from 2009

(Patriotic budget) 01-4583.20-810 is \$1.00 which is level funded from 2009.

Craig Lawler presented the following line items:

(Conservation Fund Expenses budget) 01-4611.10-560 is \$1.00 which is level funded from 2009.

(Debt Service) 01-4711.20-980 through 01-4723.20-981 for a total of \$117,056.00 which is a decrease from the 2009 budget.

(Capital Outlay Equipment budget) 01-4902-10.370 for \$30,000 which is the Police Cruiser. 01-4909.10-730 which is \$1.00.

David McAlister presented the total budget of \$3,021,051.00, with a default budget of \$3,207,088.

Denis Salvail explained that the Water and Sewer budgets are a separate warrant article with a total of \$176,825.00

The Budget Committee closed the Public Hearing at 7:50 pm.

Bill Bellion had a question about the Capital Improvement Plan for the Town of Canaan, and why it is not being utilized. There was a lengthy discussion about starting the CIP back up, and getting service records for the town equipment.

The next meeting will be the Deliberative Session on January 30, 2010 starting at 9:00 AM at the Canaan Elementary School.

**Budget Meeting Minutes 1-30-2010
Canaan Elementary School
(after) deliberative session
Approved Copy**

Eleanor opened meeting at about 12:20 PM.

Present were: Eleanor Davis(Vice Chair), Russell Lester, Al Posnanski, Denis Salvail, Craig Lawler, Dave Barney, John Burgeron, Nathan Deleault and Scott Borthwick (selectman)

Absent: David McAlister (Chairman) (Do to work requirements)

The Budget Committee voted on whether to recommend the budget as amended during the Deliberative Session. The vote was 3 Yes and 6 No.

Minutes for 1-13 and 1-14 were not reviewed as only the budget members that pick up their minutes at the town office had minutes. Russell did not receive any minutes to send the rest of the budget members.

Meeting closed at about 12:35 PM.

Respectfully submitted by,
Russell Lester

**Approved with corrections
6-17-2010
Corrections made by Russell Lester
Secretary.**

March 4, 2010

TOWN OF CANAAN, NH

Town of Canaan Budget Committee Meeting

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Town of Canaan Budget Committee Meeting

[START TAPE --]

MODERATOR: take attendance first Dave.

Dave: Yes.

MODERATOR: Ellie.

MRS. ELEANOR DAVIS: Yes.

MODERATOR: Russell.

MR. RUSSELL LESTER: Yes.

MODERATOR: Al.

MR. AL POSNANSKI: Yes.

MODERATOR: Craig.

[Off-Mic Comment]

MODERATOR: DENIS.

[Off-Mic Comment]

MODERATOR: John.

[Off-Mic Comment]

MR. JOHN BURGERON: Yes.

MODERATOR: Nate.

MR. NATHAN DELEAULT: Yeah.

MODERATOR: On here, Scott is absent with permission, so we have a quorum. Everybody got a copy of those one handout from Dave pertaining to legal? Everybody should have that. We have four batches of minutes. December 17th, January 13th, January 14th and then deliberative session. I want to clear up, so we start out the New Year on a clean slate. We'll go ahead and take December 17th. I make a motion. We accept it as written.

MR. DAVE BARNEY: Second.

MODERATOR: Seconded by Dave Barney. Opened for discussion. Any corrections? I'll give you a minute. Everybody a minute unless everybody has got it.

MALE VOICE 1: These are the minutes we were waiting for from Chris and she finally did get them through to us.

MALE VOICE: Yeah, it's in.

MALE VOICE 1: Oh, good.

MODERATOR: And Chris, she is doing fine. She did lose her cat.

[Crosstalk]

MALE VOICE 2: Lost her what?

[Crosstalk]

MODERATOR: Correct. Lost her cat.

MALE VOICE 2: Lost her cat.

MALE VOICE 1: Oh, no.

MODERATOR: But you talk about timing is everything.

MALE VOICE 1: Oh, that's right. Yes.

MALE VOICE 3: Maybe yes.

MODERATOR: No Mark. Oh, that's Mark. Where?

[Crosstalk]

FEMALE VOICE: This is Mark.

MODERATOR: Sorry. We're already there.

[Crosstalk]

MODERATOR: She is getting real close. It just so happens that the flowers that the budget committee sent her came on the day that she had lost her cat, and she said you couldn't believe the timing. She says, "I was so depressed until those flowers came." And she said, "I was so, so turned around." So timing is everything.

MALE VOICE 1: We had all agreed just while we were waiting a minute, people were reading the minutes to give—to fund David for what he—and for anybody that's still outstanding then. Okay. Yeah.

MODERATOR: Oh, It's going to cost you a whopping \$5 a head.

MALE VOICE 2: All right.

MODERATOR: Whenever you get it. I'm not worried about it. It's all bought and paid for and I didn't put it on the credit card.

MALE VOICE 3: Got a five?

MODERATOR: You know I do. I'm a car salesman.

[Crosstalk]

MALE VOICE 1: I've got two five's.

MODERATOR: Thank you, sir. This doesn't look good, does it?

MALE VOICE 1: No.

[Crosstalk]

MALE VOICE 1: And Al, Dave...

MODERATOR: Thank you. All right. I appreciate that.

MALE VOICE 1: One more here.

MODERATOR: Thank you - - . And she did really—she said she started crying when she got the flowers, so it did make an impression on her. Moving on. No corrections to the minutes. It stands as written.

MALE VOICE 1: As written.

MODERATOR: Everybody in favor of that, say, I.

EVERYBODY: I.

MODERATOR: Those not in favor, say, No. Abstentions as written. Thank you. The next one is January 13th. Moved by Dave to accept them. Seconded by John. Any corrections? Did anybody saw—this was at the senior center.

MRS. DAVIS: I have a correction.

MODERATOR: Yes, Ellie.

MRS. DAVIS: I have a correction but yeah, towards the end of that big paragraph.

MODERATOR: Oh, which one are we on?

MRS. DAVIS: On Page one.

MALE VOICE 1: Okay.

MODERATOR: Okay.

MRS. DAVIS: If you read out, it says, "Next on the agenda." If you go up two lines, it says, "David also pointed out." I don't know who David is. Is that David McAlister or is that David Barney?

MODERATOR: McAlister, I believe.

MRS. DAVIS: David also pointed out the police department in section and budget, 2009 encumbrances were added on the line.

MODERATOR: Yes, I believe I did that.

MRS. DAVIS: Okay.

MODERATOR: So that would be Dave McAlister. We'll just put McAlister right there?

MALE VOICE 1: Okay.

[Crosstalk]

MODERATOR: Everybody okay with that? Yes, I remember that.

MRS. DAVIS: Okay.

MODERATOR: Thank you.

MRS. DAVIS: - - .

MODERATOR: Well, no. When there's two Davids-

MRS. DAVIS: Yes.

MODERATOR: -that are vocal. Anything else? All right. If there's nothing else as corrected, all those in favor, say I.

EVERYBODY: I.

MODERATOR: Those opposed. Abstentions written as corrected. January 14th and this is a public hearing.

MR. DAVID MCALISTER: What is it? I've got to abstain on that. I wasn't here for that meeting, so...

MALE VOICE 1: Okay.

MODERATOR: All right. David abstained.

MR. MCALISTER: Yeah.

MODERATOR: Okay. We can do that.

MALE VOICE 1: January 13th.

MODERATOR: Thirteenth. So January 13th-

MR. MCALISTER: I'm sorry. December 17th I was not here.

MODERATOR: All right. December 17th, David-

MR. MCALISTER: I should have abstained-

MODERATOR: [interposing] abstained.

MALE VOICE 2: Too late. You already voted.

MR. MCALISTER: All right. Whatever.

[Crosstalk]

MR. MCALISTER: I don't think the world will end.

[Crosstalk]

MODERATOR: Not a problem. Now we're clear. Now back to the 14th.
I'll make a motion we accept them as written.

MR. LESTER: Russell Lester, the second.

MODERATOR: Seconded by Russell. Opened for discussion and
corrections if needed.

MALE VOICE 2: I've made an amendment which I've written out.
It's on Page 2 about two-thirds of the row down in
advertising and regional associations budget paragraph. And
what I've changed it to read is, there was a discussion and
concern the selectman was refusing to pay the client's budget
that he advertised in the regional association of 2009 - - .
And he was told that this was technically legal, that he
would propose an amendment again this year. Fund with those
agencies - - for the 2010 funding. The two - - .

MALE VOICE 3: Okay.

MODERATOR: Did you find it?

MALE VOICE 3: No, I didn't find it.

MALE VOICE 4: There was a discussion right there.

MALE VOICE 1: Right there. Okay. Yeah.

MODERATOR: Okay. Discussion, concern and selectman.

[Crosstalk]

MODERATOR: I don't remember that. And there's quite a few changes to tell you. I think I would have to listen to that recording. That's a good part about the recording. And I don't mind. I think you've got that.

MALE VOICE 1: Yes. Yeah.

MODERATOR: It's a - -

MALE VOICE 1: [Interposing] It's the 17th the one we're having trouble with, I guess. We had the minutes for the 17th.

MALE VOICE 3: We want to tape these minutes-

MODERATOR: Yeah, why don't we do that?

MALE VOICE 1: Yeah.

MODERATOR: I think I'd rather and-

MALE VOICE 1: [Interposing] Not to go against or for or against. Let's just see how, you know-

MODERATOR: [Interposing] And it may be absolutely but, you know, if we have the recording and we can even get a copy of the recording, I think, because-and that would clarify exactly what was said. And there was-

MALE VOICE 1: There was quite a lot said.

MODERATOR: There was some chatter there.

MALE VOICE 1: Yes.

[Crosstalk]

MODERATOR: Yeah, so you have to have-is that all right with you, Dave, if we table it-

MR. MCALISTER: That's fine.

MODERATOR: -and review the recording to see-Ellie?

MRS. DAVIS: Yeah, I just wanted to say that my recollection was that the selectman didn't put - - . Basically, what they did was they transferred the money indirectly because they overspent the welfare line by more than that amount.

MODERATOR: That was my understanding.

MALE VOICE 1: Yeah.

MODERATOR: And that was what was said by Scott, I believe.

MRS. DAVIS: Right. Right. That's why-

MODERATOR: [Interposing] That they moved that money into the welfare...

MR. MCALISTER: My recollection is that welfare overspending was not-was less than the \$31,000 that...

MODERATOR: Yeah.

MRS. DAVIS: But they - - another line.

MALE VOICE 1: Yes. Yes.

[Crosstalk]

MALE VOICE 1: Right.

[Crosstalk]

MODERATOR: But I remember talk about-

MRS. DAVIS: [Interposing] So - - the fund balance.

MODERATOR: Yeah, I remember the talk about that, I think.

MR. MCALISTER: This doesn't mention where it was purchased. The fact is they didn't pay it.

MRS. DAVIS: Well, they have the right to do that regardless of what they want - -

[Crosstalk]

MODERATOR: Yeah, I know that but what was said-

[Crosstalk]

MR. MCALISTER: It says they have a right to do that but-

MALE VOICE 1: [Interposing] They want to go by what was recorded that night.

MODERATOR: Who said it? What was recorded, so... All those in favor of tabling January 14th until the next-

MR. POSNANSKI: [Interposing] If we table these minutes, I might not be here for the next meeting.

MODERATOR: That is true.

MALE VOICE 1: Yeah.

MR. POSNANSKI: That's something I would like to-

MALE VOICE 1: No, that's fine. Sure.

MODERATOR: Well, that's okay, Al.

[Crosstalk]

MALE VOICE 1: Go ahead.

MR. POSNANSKI: Absolutely.

[Crosstalk]

MODERATOR: I apologize-

MALE VOICE 1: Right.

MODERATOR: -to Al Posnanski.

MALE VOICE 1: What page Al?

MR. POSNANSKI: Okay. Page 3.

MALE VOICE 1: Okay.

MR. POSNANSKI: My name is there - - .

[Crosstalk]

MR. POSNANSKI: The paragraph below that, it says, "The town has gone to a more efficient dual stream recycling system that will save money." I would like to have that read, "The town has gone to a dual stream recycling system."

MODERATOR: Scratch, "More efficient"?

MALE VOICE 2: No, the question is what was said.

MR. POSNANSKI: Well, what is implied here is that I-

MALE VOICE 1: I said it. Right.

MR. POSNANSKI: It said, "I."

MODERATOR: You didn't say that.

MR. POSNANSKI: And if I said it, I didn't mean it in the way that it presented here. It was the way I thought I meant it was that the reason that the selectman did it was because they thought it was going to be more efficient.

MODERATOR: Yeah.

MR. POSNANSKI: I don't want that to be associated with my name because I don't think it's going to be more efficient, and I don't think it will save money.

MR. MCALISTER: It should read the way you said it. The way you-

MR. POSNANSKI: Well, I would like to have it the way that I-

MALE VOICE 1: Gone to a dual-and remove, "More and efficient."
That's the question?

MR. POSNANSKI: "More and efficient," and, "That will save money."

MALE VOICE 1: Okay.

MR. POSNANSKI: Just the adjectives.

MALE VOICE 1: Okay.

MODERATOR: Yeah.

MALE VOICE 1: More efficient.

MODERATOR: The town has gone to a dual stream recycling system.

MR. POSNANSKI: Yeah.

MODERATOR: Period. Period.

MALE VOICE 2: Yeah.

MODERATOR: Great.

MALE VOICE 1: And you don't want, "That will save money." Okay.

MODERATOR: Any problems with that correction?

MALE VOICE 3: No. Unless we got in one tape saying - - .

MALE VOICE 1: Right.

[Crosstalk]

MODERATOR: Well, the good part is, we'll listen.

MALE VOICE 1: We're going to be listening to it anyways, so-

MODERATOR: Anything else? Thank you.

[Crosstalk]

MODERATOR: Okay. We'll table minutes for January 14, 2010, until the next meeting.

MR. LESTER: Second up.

MALE VOICE 1: Russell.

MODERATOR: Russell second it. All those in favor say I.

EVERYBODY: I.

MODERATOR: Oppose?

MRS. DAVIS: - -

MODERATOR: Ellie oppose. Abstentions. Ellie oppose. All right.
So they are tabled. Okay. Next. The deliberative session.
I'm not going to do it because I wasn't here, so I can't-

MALE VOICE 1: Oh, okay.

MODERATOR: I just need somebody else to put it on the table here.

MALE VOICE 3: I - - ready.

MR. LESTER: I'll second it. Russell Lester second.

MODERATOR: Russ second. And Dave made a motion to accept them as
written. Opened for discussion.

MR. MCALISTER: I have actually three amendments. The first one I
spelled John's last name right? B-u-r-g-e-r. The second one
is to replace the first four paragraphs-

MALE VOICE 1: Yes.

MR. MCALISTER: -this with thing I'm amending up now. The people
who - - amendment - - we recommend the amended budget rule
and that's what written here. The budget committee voter
wanted to recommend the budget as amended during the
deliberative session - - .

MALE VOICE 1: I can't get my fingers to work.

MR. MCALISTER: - -

MODERATOR: Yeah, - -

MALE VOICE 1: Right. Because they complain about it, right?

MALE VOICE 2: And your proposal is to replace which?

MR. MCALISTER: The first four paragraphs.

MODERATOR: With this one.

MALE VOICE 2: Which-

MALE VOICE 1: Starting with two-

MALE VOICE 4: [interposing] With two one liners?

MR. MCALISTER: Starting with two amendments that were presented-

MODERATOR: [Interposing] Okay. Right.

MR. MCALISTER: -and the last fourth one that the budget committee voted on the two amendments.

MODERATOR: The spelling is John Burgeron, right?

MR. MCALISTER: Yes.

MODERATOR: And then-

MR. MCALISTER: Oh, how about Al?

MODERATOR: Yeah, I've just seen that. Yeah.

MR. MCALISTER: Al Posnanski too.

MODERATOR: Plosnanski.

MR. MCALISTER: We'll fix that-

MODERATOR: All right. We'll correct those two spelling.

MALE VOICE 1: Oh, okay.

MODERATOR: Thank you.

MALE VOICE 1: Thank you.

MODERATOR: Oh, thank you. And Good Lord-

[Crosstalk]

MODERATOR: -Mrs. Tucker isn't here otherwise we'd be in trouble.

MALE VOICE 1: Right. Right.

MODERATOR: She was my English teacher. - - . Any other discussion about it?

MALE VOICE 3: I guess on the next paragraph which begins with, "Eleanor discussed," on the second line where it says, "Both field - - because," I'd like to precede, "Both," with "Eleanor reported both field."

MR. MCALISTER: Well, let me finish the first - -

MRS. DAVIS: I don't think you can tell me how - -

MODERATOR: Well, we've got one amendment here already that strikes how-

[Crosstalk]

MALE VOICE 4: Yeah, we've got it.

MALE VOICE 1: Get it straight so we can get to this straight.

[Crosstalk]

MODERATOR: All right. So the amendment out here right now Don is to strike at all four.

DON: I buy that.

MODERATOR: And if that is accepted then we don't have to worry about that one. All right. You follow me?

DON: Okay. Yep.

MODERATOR: All right.

MALE VOICE 2: I don't think so. He is not deleting that one.

MODERATOR: Yes, he is.

MALE VOICE 3: He said he wasn't.

MODERATOR: Oh.

MALE VOICE 1: No, it's the next line. The next one below that.

MR. MCALISTER: Replace the first four paragraphs.

MALE VOICE 4: With two one lines as with the two three lines.

MR. MCALISTER: Okay. Well, that one paragraph. My third amendment will address the next paragraph.

MODERATOR: Okay. This will address the first paragraph. Begin.

MR. MCALISTER: The first four paragraphs. The first one starts with, "Two amendments were presented blah, blah," and the fourth paragraph starts, "The budget committee voted on the two amendments." Okay. I'm going to be replacing all those first four paragraphs with that one. We didn't vote in the amendment. We voted on whether to recommend there would be an amendment.

MODERATOR: Are you following? I'm sorry, I-

MALE VOICE 4: Yeah. He's calling these paragraphs.

MALE VOICE 1: Yeah, these two, three, four-

MODERATOR: [Interposing] Oh, Okay. All right.

MALE VOICE 1: -take those out. There's more dialogue in there than he wants.

MODERATOR: Okay. The committee does not... Okay.

MALE VOICE 1: Makes it hide because you - - .

MODERATOR: Yeah, well, that's why I'm-

MALE VOICE 1: [Interposing] Yeah, but-

MODERATOR: -leaning to the right.

MALE VOICE 1: Okay.

MODERATOR: Not that that's the way I lead-

MALE VOICE 1: It was a half hazard meeting at best because we were all trying to get everybody-

MODERATOR: Out of there and moving around.

MALE VOICE 1: -together and right afterwards.

MALE VOICE 4: Pretty much all we did was vote on-

MALE VOICE 5: [Interposing] Just yeah. Just ask-

MALE VOICE 4: -the budget.

MALE VOICE 5: Yeah.

MALE VOICE 4: That's all we did really.

[Crosstalk]

MODERATOR: Which is basically what this says.

MALE VOICE 3: Yeah.

MALE VOICE 2: Yeah.

MR. MCALISTER: Determined the minutes weren't there or-

MALE VOICE 3: Yeah. Exactly.

MALE VOICE 4: Yeah.

[Crosstalk]

MODERATOR: All right. Any more discussion on that amendment?
All those in favor of the amendment say I.

EVERYBODY: I.

MODERATOR: Those oppose. I will be abstaining.

MRS. DAVIS: I'm abstaining too.

MODERATOR: Two abstentions. Ellie-

MALE VOICE 1: So this-

MODERATOR: -and David McAlister abstaining.

MALE VOICE 1: That goes out.

MODERATOR: All right. Now the next amendment.

MR. MCALISTER: The next amendment is-the next paragraph, it starts with, "Don was discussing the amendment et cetera, and the email I handed out to everyone is from Gregoire who says he did not agree with that, that he said, "- - proposal as long as it's listed here." So you ought to delete that paragraph.

MALE VOICE 4: One second - -

MODERATOR: Okay. And David made an amendment.

MALE VOICE 1: John-

MODERATOR: John seconded it. Do you have a copy of that or you just want to delete it all?

MR. MCALISTER: Okay. Just-

MALE VOICE 1: It was the minutes that he handed out-

MR. MCALISTER: Paragraph on the minutes.

MODERATOR: Oh, it's in the-

MALE VOICE 1: -on the legal.

MALE VOICE 4: The one that begins with, "Don."

MODERATOR: Yeah.

MALE VOICE 4: And the minutes of January 30th.

MALE VOICE 1: Yeah.

MALE VOICE 4: The paragraph that begins with "- -

MALE VOICE 1: No. What he's looking for is what the dialogue is and David handed out that in the-

[Crosstalk]

MALE VOICE 1: -corrections, I believe.

MR. MCALISTER: It's a long email.

MODERATOR: First of all, let me clarify my conversation with Mr. Davis.

MR. MCALISTER: Yeah, maybe it took a long time to get there.

MODERATOR: "It did not happen after the deliberative session," what it says. Is that the part?

MR. MCALISTER: Yes.

[Crosstalk]

MRS. DAVIS: Yeah, he said something. And I was talking to him earlier. He couldn't give me any answer. And then he said he wasn't sure and he thought I might be right.

MALE VOICE 4: Is that what he said afterwards? I just saw you guys talking so-

[Crosstalk]

MALE VOICE 1: And that's what was related to me, so-

[Crosstalk]

MALE VOICE 4: I don't know what was said. I wasn't-

MRS. DAVIS: He didn't give me a definite answer but I mean, - -

MALE VOICE 1: I don't care what they put in because I'm not going to take another settlement anyway, so-

MR. MCALISTER: He goes through pretty thoroughly. It takes a lot words to do it but-

MRS. DAVIS: But-

MALE VOICE 4: He is getting paid by the word.

MR. MCALISTER: Well-

MRS. DAVIS: Well, I approached him before the meeting because I figured it would cost the town some money-

MODERATOR: Okay. So we're going to just strike that?

MR. MCALISTER: That's what I'm doing-

MALE VOICE 4: That's the amendment.

MODERATOR: Okay. That's the amendment. Strike Eleanor paragraphs. Any other discussion on it? All those in favor, say I.

EVERYBODY: I.

MODERATOR: Oppose. I'll abstain.

MRS. DAVIS: And I will also.

MODERATOR: Ellie and David McAlister abstained. Okay. Anything else?

MALE VOICE 4: Just on the last paragraph, I did find in my minutes that Vickie had emailed to me after the fact.

MODERATOR: Oh.

MALE VOICE 4: I just have overlooked it and I really didn't have them. Because it didn't come from one of the regular sources.

MODERATOR: Oh, I see. Yeah.

MALE VOICE 4: It was misfiled.

MODERATOR: Okay. Yeah. Yeah.

MALE VOICE 3: But that means we don't need to change the minutes unless someone wants to. I thought I didn't have them but, you know.

MR. MCALISTER: You might want to add it here that the minutes were 12/17, 1/13 or 1/14 - - . When we attended the meeting it was to do those three, I guess, right?

MODERATOR: Was what?

MRS. DAVIS: I didn't know anything about the other. I didn't know anything about the 12/17 minutes. All I think I remember you telling me was those two and that's what I had written down.

MODERATOR: Right.

MRS. DAVIS: Was to do the 13th and the 14th. I didn't know he hadn't done-

MALE VOICE 1: [Interposing] There was one other seven minutes that-

MALE VOICE 5: [Interposing] So this reflects what we all knew at the meeting-

MRS. DAVIS: Right.

MALE VOICE 1: Right. Exactly.

MALE VOICE 5: -which is insufficient - -

MALE VOICE 1: You know, the 17th was still outstanding.

MRS. DAVIS: It doesn't matter that we were wrong.

MALE VOICE 1: No.

MRS. DAVIS: I mean, this is more than whatever. That's just what-

MALE VOICE 1: [Interposing] This is all that was-

MRS. DAVIS: That's just what-

MALE VOICE 1: -yeah.

MRS. DAVIS: -actively what happened at the time, so-

MALE VOICE 4: [Interposing] Yeah.

MRS. DAVIS: -I think it's okay to leave it the way it is.

MALE VOICE 1: And these were basically put in the folders but not disseminated, so I got them.

MRS. DAVIS: [Interposing] Yeah. Because Al and I-

MALE VOICE 1: So that I can disseminate them to anybody else. Only the people in the folders got them.

MRS. DAVIS: Because Al and I are the only two that had them. Now what the - -

MALE VOICE 1: [Interposing] Not a big deal. It's just that's why it wasn't in-why we couldn't handle that.

MALE VOICE 3: Okay. Yeah. Just for clarification.

MRS. DAVIS: I wouldn't think the Board would have a meeting if I don't know if we had the minutes. That was - -

MALE VOICE 2: [Interposing] And why you needed to vote?

MRS. DAVIS: I wanted to do the minutes so that we could get it over with-

MODERATOR: Yeah.

MALE VOICE 2: Right.

MRS. DAVIS: -before the election so that we can-

MODERATOR: [Interposing] Yeah, well, that's primarily why we're here tonight because I'd like to get this cleared up.

MRS. DAVIS: Right.

MODERATOR: As Al said, "We don't know. We don't know."

MRS. DAVIS: Because the attorney-

MODERATOR: [Interposing] And we were here and we may not be the next time, so and-

MRS. DAVIS: Because the attorney told me that we didn't really have to take the vote. But I figured well, why we were there, we'd make it official just in case it needed to be recorded somewhere. Because he told me that once the town meeting amends our budget, it's no longer our budget and our recommendations wouldn't go on the warrant regardless. But I didn't know if it needed to be recorded somewhere.

MODERATOR: Who told you that?

MRS. DAVIS: The attorney.

MALE VOICE 1: I'd like to see that in writing though.

MRS. DAVIS: He said it's not our budget.

MODERATOR: Yeah, I want to see that.

MALE VOICE 1: I want to see that.

MRS. DAVIS: Neither are the documentations. You know, the selectman's recommendations-

MALE VOICE 1: [Interposing] We've been stuffed before by the attorney, so-

MRS. DAVIS: -were no longer valid once it's been amended at deliberative session. But I thought-I didn't know that they might need it for some other reason, it needed to be recorded because when you do-you know, we ended at seven. Before when we put our recommendations on there, the DRA still needed to know what our recommendations were regardless of whether they went on the warrant or not. So I just thought that I needed it for-

MODERATOR: Yeah. Okay.

MRS. DAVIS: -just for legal reasons of it.

MALE VOICE 3: Don't we have those recommendations on the ballot now?

MALE VOICE 4: Not to the budget.

MODERATOR: Not the budget.

MRS. DAVIS: We do now. So when we vote on the budget, because it's not our budget.

MALE VOICE 1: Yeah, No.

MALE VOICE 2: But I mean, the official ballot which is already printed.

MALE VOICE 4: The one that's on the website doesn't have the recommendations.

MALE VOICE 5: Okay. Just for the budget.

MODERATOR: Right. All the rest of the-

MALE VOICE 1: Right.

MRS. DAVIS: Just the money - -

MALE VOICE 1: This is just so the people at the meeting, the legislative body, can see what the two recommendations are known recommendations, so-

MRS. DAVIS: Because you know, when you get to-well, the main reasons why I was concerned about that is because of the 10% rule. Because the town meeting can't override us.

MODERATOR: [Interposing] Right.

MRS. DAVIS: We're more than 10%.

MODERATOR: Right.

MRS. DAVIS: So-

MODERATOR: So our recommendation is the number that the 10% rule applies to is not the amendment.

MRS. DAVIS: Right. It's whatever our original budget was.

MODERATOR: Right.

MALE VOICE 3: But by that same logic where we changed-the way the deliberative session changed Article 4 to a study, should the selectman's recommendations disappear under the article?

MRS. DAVIS: No. They can still put their recommendations on. The only reason you-we can change our recommendations if the-if anymore article is amended except for the operating ones, because we're the only ones that are responsible for that one article.

MODERATOR: Right.

MRS. DAVIS: All the other - - articles, the selectmen are responsible for except the petition ones. We have more authority to do anything else except the operating budget.

MALE VOICE 3: But the deliberative session changes one of the nine budget articles by a-

MRS. DAVIS: [Interposing] But we don't-

MALE VOICE 3: -substantial amount. That might change our recommendations.

MRS. DAVIS: Yes. Then we have the right to be - - .

MODERATOR: But is that what the attorney was saying they couldn't or - -

MRS. DAVIS: No. This just only applies to the operating budget. It doesn't apply to the other ones. We can change our votes on the other ones and have them appear on the warrant.

MODERATOR: Okay.

MRS. DAVIS: As long as we do it within that time frame, and that's what I was told the best time to do it is immediately after-

MALE VOICE 1: The meeting.

MRS. DAVIS: -the meeting.

[Crosstalk]

MALE VOICE 3: Deliberative session.

[Crosstalk]

MRS. DAVIS: Because it's properly non-listed. It's best within that timeframe as long as we don't conduct any other business. We can't change the budget. We can't change our proposal. Between the hearing, I mean, after the hearing, we can't change anything. The only thing we can change is our recommendations.

MODERATOR: Okay. We'll go ahead and vote on the amendments. I think we already have.

MRS. DAVIS: Yeah, you did.

MALE VOICE 4: Oh, just vote on the minutes?

[Crosstalk]

MALE VOICE 3: The minutes as amended?

MALE VOICE 2: Yeah.

MALE VOICE 5: Yeah.

MALE VOICE 3: All right.

MALE VOICE 1: And it says, "Amended."

MODERATOR: And I'll have to take your—I want to -- so—

MR. LESTER: I make a motion that we accept the minutes as amended.

MR. BURGERON: Second.

MODERATOR: Russell made a motion to accept the minutes as amended. John seconded it. All those in favor say I.

EVERYBODY: I.

MODERATOR: Those oppose. Abstentions. David abstains and Ellie as amended.

MALE VOICE 1: David McAlister.

MRS. DAVIS: David McAlister.

MODERATOR: David McAlister. All right. Amen. And Ellie. Okay. That freezes up the minutes. Okay. I have one other thing

I'd like to bring up. At the beginning of the year, I asked if anybody had any questions, if they would funnel through the Chair, and it's to keep things clear and less confusing, where we don't double it. We just had one incident where we just doubled it. Dave, you went to the town and current attorney, didn't tell anybody. He went and did yours. At the same time, he'd already was working on her request from the selectman, the same request, at \$160 an hour. That's expensive to the town. That is one of the reasons if we funnel it through here, then we go through the selectman's office. I don't know. My opinion, anytime we use the town attorney, it should go through the selectman. We shouldn't be going out there and using him to our own discretion.

MALE VOICE 5: Well about several years ago, I think the selectman did put out a memo that said all of the attorney conversation has to go through him.

MODERATOR: Right.

MALE VOICE 5: That was not under the current-

MODERATOR: Right.

MALE VOICE 5: - - but-

MODERATOR: And I appreciate that.

MALE VOICE 5: - - make an appointment.

MODERATOR: Yeah. But I mean, thanks. I feel that's just common courtesy. As I said, at \$160 an hour, we just doubled what we did.

MALE VOICE 5: But I don't think he'd - -

MODERATOR: Well, we've got the attorney working on the same thing and-

MALE VOICE 5: [Interposing] He is not going to - - double for two - -

MODERATOR: Well, that's all well and good. I'll tell you that after we get the bill.

MR. MCALISTER: - - the selectman's request.

MODERATOR: But nonetheless, whether he is not going too or not, it could have happened that way. This is one other ways to clear it up by going through one person. And I was a little disappointed hearing that, so let it be in the minutes that

from now on, we need to not route on our own and start doing things. We need to coordinate with the selectman whether you like it or not. That's just protocol, I think. And we should respect that. Ellie.

MRS. DAVIS: Yeah, maybe we should apprise the attorney of that fact as well. He shouldn't have answered it.

MALE VOICE 5: He called me. Let's get the record straight. And he called me after he received Dave's email. He said, "I just got an email from Dave. What do you want me to do with it?"

MRS. DAVIS: Oh, okay.

MALE VOICE 5: Because he and I are were already working on this very question, which I think I mentioned to John when he approached me - - session with concerns regarding the validity of the original comments that Bernie had made. So what I told Bernie was, "Well, I suggested that you respond to both of us since we're going to answer your question." We essentially both asked him the same question.

MODERATOR: Right.

MALE VOICE 5: He was already working on it with me. He said, "Well, since Dave had emailed you, you can answer the email to him but cc me and we'll leave it at that, and I'll mention it so that there's no other confusion. We don't know if we're going to get billed the extra money for the time that Bernie spent but--"

MODERATOR: Except, you know, this is a case of we just doubled our quote. The potential was there to have doubled up, and if we'd had gone through the protocol as we asked at the beginning of the year, this wouldn't have gotten where it is now, and I wouldn't be talking to you. So, I think it's a wise idea that we just kind of keep it a little neater, if you will.

MR. BARNEY: I want to comment on this end. I did not know about this until the week after the meeting. Russell - - minutes. This was not discussed at the meeting when I was there. I thought the meeting was over. - - on the budget, determined the minutes were not there. I thought - - left. This all came up after I left and I did not know what until what, a week later, which didn't thrill me at all.

MODERATOR: Well, and I appreciate that Dave but back to my original statement, if you would have gone to Michael or perhaps me, and I would have gone to Michael, we'd have found out. We were working on the same thought and that would have stopped—my concern is the chances of doubling up—

MR. BARNEY: Yeah.

MODERATOR: —to the town attorney, we need to go through— especially if we're going to use the town attorney, we need to go through the selectman's office, Michael or whoever. And that's where I'm focused. How it happened, not quite so much of a concern to me. It's that it happened this way.

MR. BARNEY: The end result is a very similar message to Michael and D.R. and I.

MODERATOR: But—

MR. BARNEY: And that was it, I believe.

MODERATOR: Yeah.

MR. BARNEY: The only extra time - -

MALE VOICE 3: That's probably true but I'll tell you when I get the bill.

MALE VOICE 2: Right.

MODERATOR: Ellie.

MRS. DAVIS: No. I just want to apologize because it's my fault because I didn't adjourn the meeting before I talked to - -. But I thought I had, so... There was just too many people. I mean, people - -

MODERATOR: [Interposing] Yeah, and I appreciate that but—

MRS. DAVIS: Well, part of the problem was, I was upset because people—I told everybody we'll have the meeting. They all took off on me.

MALE VOICE 1: Right. Right.

MRS. DAVIS: And I was ticked because nobody said, "You know, I'm going to get something. I'm going to the bathroom, whatever. I'll be right back." I just wanted to get the meeting over and done with and get out of there so that everybody could go home. So I had to wait until everybody went and get a snack

and did whatever, so... And then I was even more ticked because I found out that nobody had any minutes.

MALE VOICE 1: Right.

MRS. DAVIS: That only Al and I had the minutes. So, I guess, I wasn't feeling too-

MODERATOR: Well, Ellie-

MRS. DAVIS: [Interposing] polite or whatever, you know.

MODERATOR: -but let me-

MRS. DAVIS: [Interposing] By the time it got done-

MODERATOR: -let me keep backing up here.

MRS. DAVIS: [Interposing] Bernie wasn't giving me - - even though I felt like since he was our attorney, you know, and he was supposed to be available not just for the budget committee but for anybody there that had questions. And I thought if I asked him that question, and I had this idea in my head because it was something that the LDC had spoken to me about several years before. So I guess, I was kind of upset because he was walking back and forth about the answer. Because at first he said I was wrong and then he said I might be right and-

MODERATOR: Okay. Let me back up one more time. It's not this that I'm concerned about.

MRS. DAVIS: I know.

MODERATOR: It was how it was gotten.

MRS. DAVIS: But it wouldn't have gotten in there. If I had an attorney meeting, it would have never been in the minutes-

MODERATOR: [Interposing] Okay.

MRS. DAVIS: -to start with, so-

MODERATOR: [Interposing] But that's my point.

MRS. DAVIS: -it wouldn't have been an issue.

MODERATOR: We need to start using the protocol and that's my point. How it happened, and I understand Dave's point. I understand your point, but protocol from now on, as a budget committee, we need to focus either coming through myself. If I'm not there, then we focus through the Chair, Vice Chair.

If the Vice Chair is not there, any time we use or feel we need to see or use the town attorney, absolutely through the selectman's office. And that's it, plain and clear.

MRS. DAVIS: But I was okay ask—I mean, was I within my right to talking to him because I just assumed—

MODERATOR: [Interposing] You can talk to the town attorney anytime you want.

MRS. DAVIS: But I wouldn't have done it outside—

MODERATOR: Yeah.

MRS. DAVIS: —the meeting.

MODERATOR: That's not the issue. I mean, we all can talk to the town attorney if he's there, but—

MALE VOICE 4: [Interposing] It's going to cost money.

[Crosstalk]

MODERATOR: —but he's being paid.

MALE VOICE 2: He's already being paid.

MODERATOR: He was already being paid to be at the meeting.

MRS. DAVIS: Right.

MALE VOICE 2: Yeah. Yeah.

MODERATOR: And that's not the issue. It's when we call in outside the meeting, he was already being paid for that. But when we go beyond that—

MRS. DAVIS: And then somebody else—I got distracted by something else too. I think that there was some piece of paper that I—

MODERATOR: Yeah.

MRS. DAVIS: —need to have you fill out or sign or something, and so I was trying to do a half dozen of things at the same time and I—because I'm not the Chairman.

MODERATOR: But—

MRS. DAVIS: I'm not used to—

MODERATOR: On another note—

MRS. DAVIS: —thinking through that, but—

MODERATOR: I think this is very clear. It was for me. And I think we needed this piece of paper that was gotten. So, on the positive side, thank you for doing that. And it got a lot of things cleared up for us, how things are supposed to be done. So, there is a positive side to it, and I never want to leave a meeting on a negative note, so thank you. I think that's all we have unless somebody else has something. Thank you, Michael.

MALE VOICE 5: I have something. It's probably pretty minor. But the piece of papers I have here, the Town of Canaan capital reserve fund. That is all the reserve funds and all that stuff, and I spoke about this two times with Michael and all that. We still have our - - and reserve fund and I spent - -

MALE VOICE 4: It's a special revenue fund.

MALE VOICE 5: A special revenue fund.

MALE VOICE 2: It wouldn't reported - - .

MALE VOICE 5: Where can I find in the budget?

MALE VOICE 4: - - . It wouldn't be in the budget. It would be in the--some of the Treasuries - - .

MALE VOICE 5: And that's the only place that anybody in the town would know that this has happened? Is that-

MALE VOICE 4: Yes. Presently yes.

MALE VOICE 5: Because of the way it's worded? Is that-

MALE VOICE 4: No. It's just the way it's being reported. Is your question--Do you want it to be reported somewhere in the town report?

MALE VOICE 5: I think that's what it is. I think, you know, what I'm saying is it's not out in the open.

MRS. DAVIS: It's-

MALE VOICE 5: - -

MODERATOR: Okay. Ellie.

MRS. DAVIS: I just read the town report the other day and I remember seeing it. It isn't there. I can't find it anywhere.

MALE VOICE 5: I'm looking at the town report.

[Crosstalk]

MALE VOICE 4: It might be in the Treasury report.

MALE VOICE 5: Oh, the Treasury report. Yes.

MRS. DAVIS: Yeah, I think it is. Because I think it was in there with the police detail. I think it's the page numbers that aren't on here. It says, "Page 32," but where is Page 32?

MICHAEL: You've got the transfer station CD. I just want to make a general statement.

MODERATOR: Yes, Michael.

MICHAEL: I've beaten myself up sufficiently about this, but I feel compelled to apologize in every public forum there is. We tried to do a number of things with this report to make it more readable for people, and we paid a price for doing that. I assume full responsibility for any errors, omissions or problems that were generated with this report. And there have been a number that had been pointed out to me. It's entirely my responsibility, and I don't want anything to reflect badly on anybody else other than myself, so... Having said that, Ellie, know there aren't some—we couldn't put some of the pages that was on here because of some of the formatting we had to do to make it more readable.

MRS. DAVIS: Yeah.

MICHAEL: We planned on correcting all of that next year. It led to a number of problems, but to your point the—

MRS. DAVIS: I found it.

MICHAEL: —in the transfer station CD, this is the amount out. They took the money—

MALE VOICE 5: Very good.

MICHAEL: —and put it in here. It's in the Treasury's report.

MALE VOICE 5: The Treasury. Okay. That's fine.

MICHAEL: And we just instructed her today to transfer the other \$523 in change, so that will go in there, so you'll know to look—

[Crosstalk]

MALE VOICE 5: I'm happy.

MRS. DAVIS: Okay.

MODERATOR: Anything else?

MRS. DAVIS: I just had a question. Do you want to schedule a date for the next meeting because-

MODERATOR: [Interposing] I think the 18th is what we're tentatively-

MALE VOICE 1: For those of us who are still on the committee. We have a meeting with the-

MRS. DAVIS: The 18th of what? This month?

MALE VOICE 1: -CIP - -

MODERATOR: The 18th of March will be the next meeting.

[Crosstalk]

MALE VOICE 4: 18th of March?

MODERATOR: Right. Is that correct?

[Crosstalk]

MODERATOR: The CIP, there are some discussion there. Dave will have a presentation or whoever is on it.

MALE VOICE 1: It should be-Okay. Steve - - is the Chairman.

MODERATOR: Okay.

MALE VOICE 1: And if I am re-elected - -

MODERATOR: Okay. Dave already-

MRS. DAVIS: [Interposing] But if you're not here, I'll go chair your meeting.

MODERATOR: Yeah, if I'm not here.

MRS. DAVIS: I'll do it. Okay.

MODERATOR: Well, you know, something I don't know?

[Crosstalk]

MODERATOR: Oh, you're talking about election? Oh, all right. Well, I didn't know. But maybe you heard something I didn't.

MRS. DAVIS: - - either.

MODERATOR: Well, you never know. And that's why-

MALE VOICE 4: You should vote in your Chair or vice Chair before
- - .

MODERATOR: That's what it will be then.

[Crosstalk]

MODERATOR: At that meeting, we'll vote on everybody's position-

MRS. DAVIS: [Interposing] That's what they did last time.

MODERATOR: -the paying positions.

[Crosstalk]

MRS. DAVIS: Because that's what happened-

MODERATOR: [Interposing] Oh, that's right. We don't have any.
I'm sorry.

MRS. DAVIS: Because that's what happened last time because I was
the only-

MODERATOR: Yeah, you were the one and-

MRS. DAVIS: The one that came back, and so that was what we did -
- so-

MODERATOR: All right. If there's nothing else-

MALE VOICE 5: Seven o'clock, - - .

MODERATOR: Excuse me?

MALE VOICE 1: Yes.

MODERATOR: The same thing. Yeah, same time, same place. Same
back channel. Make a motion. We adjourn the meeting at
7:40.

MR. LESTER: Russell Lester second.

MODERATOR: All those in favor, say I.

EVERYBODY: I.

MODERATOR: Oppose. Abstentions. Thank...

[END TAPE --]

**TOWN OF CANAAN
BUDGET COMMITTEE MEETING
June 17, 2010
Canaan Fire Station
Final Copy**

Members present: David McAlister; Dave Barney; Eleanor Davis; Denis Salvail; Russell Lester; Nathan Deleault; John Bergeron; Karen Wolk; and Scott Borthwick. Also present were Michael Capone, Steve Ward, Lola Baldwin, and Minute Taker Christi Berube.

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

Election of Officers

MOTION by Eleanor Davis and seconded by Denis Salvail to elect David McAlister as Budget Committee Chair.

David McAlister commented that he would welcome another nominee for the chair position since his attention will be needed to care for an ill family member. David McAlister added that his acceptance of the position would require assistance from the vice chair and secretary positions.

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

Eleanor Davis commented that she would obtain and utilize an email account at the town office if she is elected for the chair position.

Dave Barney suggested that John Bergeron be elected as the Budget Committee Chair. John Bergeron responded that he would rather that board members support David McAlister's nomination.

There were 7 YES votes for David McAlister; 0 YES votes for Eleanor Davis; and 2 YES votes for John Bergeron

MOTION by David McAlister and seconded by Nathan Deleault to elect Eleanor Davis as Budget Committee Vice Chair.

Dave Barney suggested that John Bergeron be elected as the Budget Committee Vice Chair.

There were 6 YES votes for Eleanor Davis; 2 YES votes for John Bergeron; and John Bergeron abstained from the vote.

MOTION by Denis Salvail and seconded by David McAlister to elect Russell Lester as the Budget Committee Secretary.

There were 8 YES votes for Russell Lester; and Russell Lester abstained from the vote.

David McAlister commented that he relies on the valuable and trusted support of the vice chair, secretary, and minute taker positions for the benefit of the town.

Approval of Minutes:

Committee members reviewed draft copies of the January 14, 2010 minutes.

Dave Barney distributed wording that he would like added to page two of these minutes. Dave Barney summarized that his comments at the public hearing were mistakenly omitted from the minutes. David McAlister and Russell Lester responded that they reviewed the recording and did not hear anything different than what is already written in the minutes.

It was noted that the meeting recordings are available in the town office for review.

MOTION by Russell Lester and seconded by Nathan Deleault to accept the January 14, 2010 minutes, as written.

David McAlister reminded committee members to please refrain from creating background chatter and excessive movement during meetings since these noises are quite disruptive when listening to the recordings.

Eleanor Davis commented that the minutes of meetings do not require the level of detail that is being considered.

Scott Borthwick suggested that the approval of these minutes could be tabled until the next meeting so that committee members have an opportunity to review the recording.

VOTE: 8 YES 1 NO [Dave Barney]

Dave Barney requested that the wording distributed be included in tonight's minutes since he is certain that this statement is indeed what he had said at the public hearing: "There was discussion concerning the Selectmen refusing to pay funds budgeted for the Advertising and Regional Associations in 2009. Dave Barney spoke to DRA about this and was told that this was technically legal. He said that he would propose an amendment again this year to fund those agencies who had not submitted petitioned warrant articles for 2010 funding. The two lake associations were moved to parks and recreation."

Committee members reviewed draft copies of the March 4, 2010 minutes.

MOTION by David McAlister and seconded by Russell Lester to accept the March 4, 2010 minutes, as corrected.

It was explained that these minutes were transcribed and completed by a company in Texas since a local minute taker could not be obtained for this meeting.

Dave Barney noted four places where the transcriber confused the names of Bernie Waugh and Dave Barney on pages 23 and 25.

VOTE: 6 YES; 1 NO [Dave Barney]; 2 ABSTAIN [Karen Wolk and Denis Salvail]

Selectmen's Report

Scott Borthwick noted that this will be Michael Capone's last Budget Committee meeting before his official resignation from the town administrator position in July. Scott Borthwick summarized that the Board of Selectmen have finished interviews for the town administrator position and have offered the position to an excellent candidate in a nearby town. Scott Borthwick noted that there were fifteen applications received for the position.

David McAlister commented that Michael Capone has been a godsend for the Town of Canaan. David McAlister added that it has been an absolute pleasure to work with Michael Capone and that Michael will be missed. David McAlister wished Michael well in the future. There was a round of applause for Michael Capone at this time.

CIP Presentation

Steve Ward introduced himself and Lola Baldwin.

Steve Ward explained the CIP process used to project capital expenditures for the following six years. A capital expenditure is defined as any single item costing over \$5,000 or greater and has a lifespan of three years or longer. Steve Ward summarized that input has been sought from the department heads, the School Board, and the Board of Selectmen and that this meeting is an opportunity for the Budget Committee to share their thoughts regarding the CIP.

Dave Barney commented that the normal CIP process had ceased during the years of a default budget but that the intent is to have a better organized plan for this year.

Russell Lester commented that data on the age, warranty, condition, and life expectancy on the town's vehicles and equipment is necessary information for appropriate planning.

Scott Borthwick summarized that the Board of Selectmen has implemented a work order system for the towns' vehicles and that the Board of Selectmen requested written justification before the purchase of the last police cruiser. Scott Borthwick noted that the Police Chief's report was so well done and complete that the justification is being used as an example for the other department heads to follow. There was general discussion that this system enables town officials to know that older vehicles and equipment are being kept in good working order and may not need to be traded or sold despite their age.

John Bergeron commented that there has been a tendency to only focus on the upcoming year in regards to capital expenditures when the focus should be on the entire six year window of the CIP. Scott Borthwick added that the existing practice of approving small appropriation amounts for the capital reserve funds does not facilitate a realistic approach.

John Bergeron also commented that not enough attention is given to capital expenditures in regards to building maintenance. Scott Borthwick responded that the Board of Selectmen also implemented a work order system for building repairs.

Steve Ward noted that Bob Reagan has offered to contact officials at other municipalities to collect their perspectives regarding reasonable life spans for vehicles and equipment. This information will be compared to what has already been gathered from the local boards and department heads.

Nathan Deleault asked whether the cost of vehicles decrease with inflation. David McAlister responded generally yes but explained that the state of the economy is also a factor to consider.

John Bergeron suggested that consideration of any upcoming regulatory requirements in regards to buildings should be added to the CIP.

Eleanor Davis commented that the resale value of vehicles and equipment should not be of concern if the item is serving the intended purpose.

Dave Barney suggested that another look at a combined emergency management building be considered.

David McAlister commented that this discussion is a good start in a positive direction and that he appreciates everyone's effort regarding the CIP.

Eleanor Davis asked whether a CIP report will be available before the budget deliberations end this year. The general response was yes.

Revenues and Expenditures

Committee members reviewed an updated revenues report dated June 8, 2010 and an updated expenditures report dated June 15, 2010. Michael Capone explained the formatting of the reports.

Michael Capone explained that the increased revenues recorded for the fire department is due to receipt of outstanding billing from previous years. Michael Capone summarized that most spikes in the accounting figures generally reflect corrections in the accounting or collections for previous years.

Dave Barney asked whether the State of NH is withholding the rooms and meals tax. Scott Borthwick responded that the rooms and meals tax is still intact for this year but that \$40,000 was lost in shared revenues.

There was general explanation of how the school district payments are determined and paid over the year.

Scott Borthwick noted that the Board of Selectmen is working to establish specific ordinances that will generate some revenue to help defer the costs for department services, such as insurance inspections and parking violations.

Eleanor Davis asked what the negative expense value represents in the police department budget. Michael Capone responded that the negative expense represents grant funds received for vests.

Nathan Deleault asked whether the budgeted amount for the police cruiser includes the outfitting. Scott Borthwick responded yes.

John Bergeron asked why the approved appropriations for the warrant articles have not been distributed. Michael Capone explained that the town's cash flow needs to be maintained in order to save approximately \$100,000 in interest from bond notes.

John Bergeron asked whether warrant articles need to be paid out this year. Michael Capone responded that the Department of Revenue Administration has confirmed that warrant articles do not need to be paid but that the funds can not be utilized for anything else. Scott Borthwick clarified that the Board of Selectmen's intent is to pay out the warrant articles as the town's cash flow allows over the rest of the year.

Chairmen's Report:

David McAlister welcomed Karen Wolk as a new member of the Budget Committee.

Next Meeting:

Committee members reviewed a handout of the proposed meeting dates for September, October, November, and December of 2010. David McAlister offered to draft agendas for these proposed meeting dates as to when department heads will be presenting their 2011 budgets.

MOTION by Denis Salvail and seconded by Scott Borthwick to adjourn the meeting at 8:52 P.M.

VOTE: Unanimous in the affirmative

**TOWN OF CANAAN
BUDGET COMMITTEE MEETING
September 16, 2010
Canaan Fire Station
Final Copy**

Members present: David McAlister; Dave Barney; Eleanor Davis; Denis Salvail; Russell Lester; Nathan Deleault; John Bergeron; Karen Wolk; and Scott Borthwick. Also present were Town Administrator Mike Samson, Vicky McAlister, and Al Posnanski.

David McAlister called the meeting to order at 6:58 P.M. and took attendance. The new town administrator, Mike Samson, was introduced to the committee members.

Mike Samson distributed and summarized his memo regarding the preparation process and the goals for the 2011 budget.

Vicky McAlister summarized the tax collector, tax clerk, and election budgets, as presented on the budget worksheet. Vicky McAlister explained that the software support line item includes monies to allow residents to pay their taxes, registrations, and dog tag fees online using a credit card. Vicky McAlister corrected that the \$215 included in the equipment line item is not needed in the budget this year but that the line item should remain open with one dollar.

Mike Samson clarified that the proposed 2011 salaries for the town positions do include a three percent increase but that the 2010 salaries listed on the budget worksheet are incorrect due to the fifty-three pay days that existed in 2010.

Vicky McAlister noted that the cost for a basic laptop with Microsoft Word, Microsoft Excel, and Internet access should be added to the proposed budget for the Supervisors of the Checklist. Mike Samson offered to add \$150 to the data processing budget for a laptop from WinCycle.

Mike Samson noted that he added a three percent increase to the town paid positions but that he does not know what the Board of Selectmen's decision will be regarding salary increases for next year. It was suggested that a three percent increase should be added to the Budget Committee's budget for the minute taker. There was general discussion that the town employees have not received a salary increase in two years.

Eleanor Davis suggested that the meeting schedule should be reconsidered so that there is additional time available to review the Selectmen's budget with the department heads, if needed.

Dave Barney asked how a five percent cut in current expenditures was determined and how a ten percent budget cut was achieved. Mike Samson explained that the Board of Selectmen requested a five percent cut in operating costs. However, he could only find a one percent savings in the operating budget after the third party increases and salary increases were factored into the budget, as shown on the bottom line of the proposed operating budget. Mike Samson explained that the overall savings to the general fund was achieved by not budgeting for a warrant article regarding the USDA loans. Mike Samson distributed copies and summarized a graph of the proposed budget

decreases. Mike Samson noted that he has not budgeted capital reserve funds for the reappraisal in five years. Scott Borthwick commented that the five percent savings in the operating budget has essentially been achieved by placing the unspent budget funds from last year into contingency line items. Scott Borthwick noted that increases are expected in the county and school taxes.

Mike Samson summarized his proposed budgeting for 2011 for the executive, town administrator, town meeting, financial administration, budget committee, assessing, treasurer, trustees of the trust funds, data processing, legal, public administration, and planning board budgets at this time. It was noted that the Board of Selectmen have not reviewed or commented on this proposed budget yet.

It was suggested that page numbers and a report date would be helpful on future copies of this budget worksheet.

Mike Samson explained that he has moved the monies for Sharon Duffy's position from the executive budget to the data processing budget since her position relates to the Internet.

Mike Samson summarized that he is requesting a small amount of monies in the town administrator budget for the training, seminars, dues, and subscriptions line items for fees and course work needed to maintain his law license.

Mike Samson noted that the town needs to change the audit company since the previous auditor is no longer servicing municipals.

It was suggested that the budget committee salary line item should be better defined as administrative support.

Mike Samson recommended that the capital reserve fund should supplement the total \$56,000 cost for the contract appraiser. There was general discussion of the advantages of visiting a quarter of the properties every year and updating the town analysis on the fifth year versus the disadvantages of completing one full assessment every five years.

John Bergeron suggested that a PDF version of the tax maps should be available online for public review. Mike Samson responded that he has already included this need in the data processing budget, as well as, the cost for a new server to enable this convenience.

Mike Samson explained that the monies in the data processing software, hardware & support line item is the total cost of having two people, Alan Treadwell and Sharon Duffy, run the town's computer system including web service, computer management of the town office, and the fire, police, and highway departments.

Russell Lester noted that one computer is needed in the town office to allow public access to the recordings of these meetings.

Mike Samson provided the following breakdown of the data processing upgrades line item: \$1,100 for web equipment, \$11,900 for a police server replacement; \$600 for a computer at the fire

department; and \$420 for UPS. Mike Samson summarized that he will be asking the Board of Selectmen to possibly use any budget surplus from this year toward software replacement at the town office and highway department, a server in the town office, and voice over Internet equipment.

Mike Samson summarized that he has removed funds from the legal budget and placed it in a separate contingency line item. Mike Samson noted that the prosecutor cost has decreased for next year but there is the thought of implementing ordinances in the future, which could again increase the prosecutor cost. Scott Borthwick noted that ordinances would generate revenue to offset the cost.

Mike Samson explained that he has talked with Primex and has expressed the Town's preference to maintain the same level of service at the same cost for health insurance. Eleanor Davis commented that the budgeted amount for health insurance may not be enough if a current employee resigns and a new employee with dependents is hired as a replacement. Mike Samson responded that the contingency fund would be accessed in this scenario.

There was general explanation that a commercial grade lawn tractor with a zero turn radius mower will be purchased with this year's budget funds in order to shorten the amount of time that Tom Guillette spends mowing lawns so that more projects can be completed on buildings next year. Mike Samson distributed and summarized Tom Guillette's list of proposed building projects totaling approximately \$32,000, which includes the painting the meeting house or the museum and the main entrance switch at the library/town office building.

Eleanor Davis excused herself from the meeting at this time.

There was general discussion that the Board of Selectmen is considering the replacement of the generator for emergency services or purchasing several small generators. David McAlister suggested that the town office should also have a generator. Automatic generators instead of manual generators were recommended.

Mike Samson explained that he has included additional funds in the government buildings budget for part time labor to help complete the backlog of construction projects that have existed for several years.

Approval of Minutes:

Committee members reviewed draft copies of the June 17, 2010 minutes.

MOTION by David McAlister and seconded by Dave Barney to accept the June 17, 2010 minutes, with corrections.

There was general consensus that the two headings for the Selectmen's Report and Chairman's Report should be switched. It was also noted that the 2009 date needs correcting.

The motion was unanimously approved.

Chairman's Report

David McAlister commented that the next meeting is scheduled on September 30, 2010 at 7 P.M. at the fire station.

David McAlister commented that he commends the Road Agent's and Board of Selectmen's decision to remove the pavement from the Old Turnpike Road. Scott Borthwick responded that not all of the residents on that side of town are pleased with the decision and that a petition may be circulating.

Selectman's Report:

Scott Borthwick commented that he is pleased with how well Mike Samson has transitioned into the town administrator position and is working on next year's budget with the department heads. Scott Borthwick added that the River Road Bridge is finally operational after seven years of planning and construction.

There was a general reminder regarding the upcoming workshops sponsored by LGC that are available for committee members to attend.

MOTION by Russell Lester and seconded by Dave Barney to adjourn the meeting at 9:04 P.M.

The motion was unanimously approved.

**TOWN OF CANAAN
BUDGET COMMITTEE MEETING
September 30, 2010
Canaan Fire Station
Final Copy**

Members present: David McAlister; Dave Barney; Eleanor Davis; Denis Salvail; Russell Lester; Karen Wolk; and Scott Borthwick. Also present were Town Administrator Mike Samson, Phil Carter, Tom Guillette, and Al Posnanski.

David McAlister called the meeting to order at 7:06 P.M. and took attendance. David McAlister noted that there is an updated spreadsheet to review for this meeting.

Cemetery Budget

Phil Carter distributed a handout of the proposed 2011 budget from the cemetery trustees. Phil Carter noted that a three percent salary increase has been included for the full time and part time positions. These proposed budget figures present an overall 4.3 percent cut in the budget.

Michael Samson noted that the retirement figures have been updated throughout the spreadsheet to reflect the increase in rates. Scott Borthwick noted that there is a lawsuit pending on this issue at this time.

Eleanor Davis commented that this year's expense for the lawnmower needs to be adjusted by the Board of Selectmen since the expense should be taken from the equipment line item.

Karen Wolk asked whether a \$1,000 cut in the cemetery budget is sustainable. Phil Carter and Eleanor Davis explained that needed supplies such as motor oil, filter, blades, and weed wacker string have already been purchased and stockpiled for next year.

There was general discussion that the funds allocated in the contracted services line item in the past has been for tree work and mileage reimbursement.

Phil Carter noted that hard pack has been added to some of the roadways in the cemeteries.

Mike Samson noted that there are fifteen line items that will be over budget at the end of the year but that the overall budget will be in fine shape.

Insurance Liability Budget

Mike Samson summarized that there is a six percent increase for next year. Mike Samson explained that the cost of the insurance is based on the amount of town owned equipment. Mike Samson also noted that this year's total cost for insurance will be closer to \$44,000 rather than the \$47,000 that was budgeted.

There was general discussion regarding an assortment of vehicles, construction equipment, and trailers on Harvey Lane that the Board of Selectmen is receiving legal advice on in order to seek

possession in lieu of unpaid property taxes. It was noted that the vehicles and equipment were checked and are titled to the property owner.

Mike Samson noted that the retirement line items throughout the budget have been increased to reflect the increased rate.

Scott Borthwick noted that the Board of Selectmen is not considering any salary increases for the Board of Selectmen in their proposed budget at this time.

Mike Samson summarized that the salary for the assistant tax collector position has been increased in hours and modestly in pay to \$7,500 in order reflect completed training.

Mike Samson noted that Gloria Koch has increased her hours by three hours for next year. There was general question whether she is will be eligible for benefits with the increase in hours.

Mike Samson noted that he has included a three percent increase in the Budget Committee support line item, as requested at the last meeting.

Mike Samson explained that he reduced the first line item of the data processing budget from \$14,000 to \$11,500 since some of the support services are no longer needed.

Mike Samson noted that bids for heating oil, gas, and propane will be received in the near future but that he feels confident in being able to reduce last year's budgeted amounts based on the fuel rates that are being discussed.

Mike Samson summarized that the Board of Selectmen has sent a letter to the area and regional agencies that requests them to seek petition warrant articles if they are looking for funding for next year. There was general discussion that the Board of Selectmen will send contributions to the area and regional agencies that the voters approved as petition warrant articles. Mike Samson noted one response has been received so far from the Mascoma Visiting Nurses.

Denis Salvail arrived at 7:40 P.M.

It was noted that the lake association funds are included in the recreation budget and should not appear in the area and regional agencies budget. There was general consensus that a written request for funds should be submitted from the lake associations. NHMA dues are included in the legal budget and should not appear in this section of the budget.

Bridge Inspection Budget

There was general discussion that the River Road Bridge has been finished and that no projects are scheduled next year but there is general consensus to keep the line item open with one dollar. Scott Borthwick commented that River Road Bridge was funded by state and federal funds.

Street Lighting Budget

Mike Samson summarized that there will be over-expenditure in this year's street lighting budget and that there has been no change in the number of street lights this year. Scott Borthwick

explained that the street light inventory has been completed and that there has been initial discussion with National Grid about removing nonessential street lights and poles but that there has been limited cooperation.

Eleanor Davis commented that the lights at the horseshoe pits and the path along Williams Field should be removed.

Mike Samson informed committee members that he has met recently with police and fire officials to collect their feedback regarding essential and nonessential street lighting and that the scheduling of a public hearing would be the next appropriate step in the consideration.

Health and Building Inspector Budgets

Mike Samson summarized that the health and building inspector budgets are essentially level funded except for the salary increase.

Cultural Budget

There was general explanation that the cultural budget is for Old Home Days expenses.

Patriotic Budget

There was general consensus to leave this budget open with one dollar.

Debt Service Budget

Mike Samson summarized that the debt service is significantly reduced due to the repayment of the USDA grant funds. Mike Samson explained that the funds for the tax anticipation notes have been moved to the contingency account.

Welfare Budget

Mike Samson summarized that the welfare budget has been essentially level funded except for the salary increase. Mike Samson noted that the rent assistance line item was under expended this year so there has been general agreement to move \$500 from this line item into the contingency account.

Mike Samson explained that the purpose of the contingency account is to create a cushion for any unexpected expenses that legally need to be done followed by expenses that could provide long term benefit to the residents and then followed by any discretionary expenses such as road maintenance. Mike Samson noted that more than half of the contingency account consists of highway items in case the block grant is not received next year.

Transfer Station Budget

Scott Borthwick noted that there is a salary savings since there has been a new hire. Mike Samson explained that he has reduced the line item for hauling costs since he believes that a tandem pull system would generate an overall savings. However, the difference in budgeting for next year compared to this year has been placed in the contingency account. Mike Samson offered to visit Campton, NH, to see how using live floor trailers instead of forty-foot boxes may generate

additional savings. Mike Samson also offered to borrow a pop trailer so that the town can try the tandem pull system.

Eleanor Davis questioned whether the accounting for the electricity line item is accurate for the transfer station.

Mike Samson explained that the hauling of recycled materials has been increased from \$9,000 to \$14,500 but that it is significantly less expensive to haul recycled materials compared to hauling trash to the Lebanon landfill because of the revenue generated from recycled materials. Mike Samson commented that there is a need to increase the general public's awareness of the town's recycling effort. Mike Samson noted that a contract for paper recycling has been arranged with Cardigan Mountain School.

There was general discussion that the special reserve fund of approximately \$6,000 is for upgrades and improvements at the transfer station but that voter approval is needed to use the funds. There was also general discussion regarding the advantages of setting up a "swap shop" at the transfer station to help reduce the hauling loads.

Al Posnanski asked whether there has been any reconsideration of not reducing the transfer station budget. Mike Samson responded that he is setting an example for all of the department heads that a concrete plan is needed before any wish lists are added to the operating budget.

Ambulance Budget

There was general explanation that next year will be part of the three year contract that has already been approved.

Eleanor Davis expressed concern that funds for a multi-year contracted service can not be added to the budget without consent of the voters. Scott Borthwick offered to look into the concern.

General Government Budget

Mike Samson summarized that a study has been completed and the Board of Selectmen have decided to switch two thirds of the telephone lines to Voice Over Internet lines for an overall cost savings. Mike Samson added that the line items for office supplies and postage costs have been increased. There was general question whether the new printer was accounted for in the equipment line item or the office supplies line item. Mike Samson offered to check.

Water and Sewer Budgets

Mike Samson summarized that the operators have said to level fund the water and sewer budgets.

Approval of Minutes:

Committee members reviewed draft copies of the September 16, 2010 minutes.

MOTION by David McAlister and seconded by Dave Barney to accept the September 15, 2010 minutes, with corrections.

Dave Barney suggested removing the phrase “excluding the Budget Committee members” and adding “town paid positions” on page one. Dave Barney also suggested clarifying Sharon Duffy’s name on page two. Dave Barney added that he had requested past copies of minutes but that the minutes do not reflect his request.

Eleanor Davis suggested changing “weeks” to “days” and “2009” to “2010” on page one.

Karen Wolk corrected the word “offset” on page three.

The motion was unanimously approved.

Chairman’s Report

David McAlister commended the committee for their efforts in reviewing the budget.

Selectman’s Report:

No report was provided at this time.

There was general discussion and consensus to schedule a short meeting on October 7th but that the Board Chair will need to check whether a quorum of committee members will be present.

Dave Barney informed committee members that there is a forum scheduled next Tuesday regarding a broadband mapping project and that the Capital Improvement Plan recommends the town’s involvement in this project.

It was noted that Craig Lawler has missed four consecutive budget committee meetings and there was general consensus that his position should be advertised as a board vacancy.

MOTION by Denis Salvail and seconded by Scott Borthwick to adjourn the meeting at 8:59 P.M.

The motion was unanimously approved.

**TOWN OF CANAAN
BUDGET COMMITTEE MEETING
October 7, 2010
Canaan Fire Station
Final Copy**

Members present: David McAlister; Eleanor Davis; Denis Salvail; John Bergeron; Nathan Deleault; and Scott Borthwick. Also present were Town Administrator Mike Samson, Beth Wolfe, Amy Thurber, and Tom Guillette.

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

Library Budget

Beth Wolfe informed committee members that the final phase of the library renovation project is underway. The project was started in 2002 and the staff is pleased with the results. Beth Wolfe distributed and summarized handouts regarding the proposed 2011 budget, the library services available, the number and breakdown of the library patrons, and the monetary contributions from other sources.

Beth Wolfe explained that the contracted services line item has increased for the computer consultant that is shared in the town. The supplies line item has also increased since the water usage is now being included in the library budget. Beth Wolfe added that the allocation for the book line item will remain at the same level but that the audio/video line item has been increased since there is more demand for these items. Amy Thurber later clarified that the majority of the increase is to have access to the state library for audio/ video items.

It was suggested that a written request for a financial contribution toward the Canaan library should be sent to the Town of Dorchester. There was also general explanation that the family that administers the Brundage Foundation resides in the Town of Grafton.

John Bergeron noted that the benefits, FICA/Medicare, and retirement line items will increase approximately \$500 from what is being presented in the budget spreadsheet if the salaries are increased for 2011.

There was general question regarding the bank charges line item and what funds in this line item would be used for.

Recreation Budget

Tom Guillette listed the members of the Recreation Committee and explained that he is presenting the budget that the committee is proposing. Tom Guillette explained that the recreation budget includes funds to maintain the fields, the horseshoe area, the beach, the playground, the park, and the common. Tom Guillette summarized that the goal of the Recreation Committee is to establish a \$30,000 budget for a recreation program that will be self-funding within the next several years. Tom Guillette explained that there are volunteers available next year to be able to offer youth baseball, field hockey, soccer, and flag football but that these volunteers should not be expected to

provide the supplies. Tom Guillette noted that modest participation fees will need to be charged for next year.

Eleanor Davis asked whether funds from the Williams Field Trust would be available. Tom Guillette explained that funds can be formally requested for purposes directly related to Williams Field, which does not include the playground. Tom Guillette added that the Williams Field Recreation Committee was responsible for erecting the lights on the field and that this group has just used up the last of their funds on field aeration.

Eleanor Davis commented that the tax payers have already authorized \$7,000 in a special reserve account for Williams Field, which is earning interest. Tom Guillette acknowledged that he is aware of these funds and that he is looking into the specifics of whether these funds can be utilized.

Tom Guillette summarized that a parent group is interested in fundraising and establishing non-profit status or a revolving fund for improvements and upkeep on the playground.

Tom Guillette explained that the \$8,000 allocated in the part time salary line item of the government buildings budget originated from part time help needed in the recreation budget for trash removal. The expenditure has now been increased to include part time help for uncompleted projects in government building budget, in addition to the trash removal.

It was noted that the two contributions listed for the lake associations within the recreation budget should be \$2,000 each. Mike Samson suggested that the annual statements should be reviewed since not all of the funds have been spent in the past. There was general discussion whether the funds allocated to the lake associations were intended for trash removal, in addition to public education and the host program to prevent the spread of milfoil. Eleanor Davis expressed that the violators and users of the lakes should be funding the host program and not the taxpayers of Canaan.

There was general question whether the \$12,102 total for the recreation budget is corrected or whether an adjustment needs to be made.

Eleanor Davis suggested that the local restaurants should be asked to donate funds to the town for trash removal in public spaces since it is their patrons who are leaving trash at the playground and the taxpayers should not be responsible for it.

There was general discussion that several mattresses have been left on town property from the past lawn sale. Mike Samson offered to contact the organizer of the lawn sale since they should have record of who would be responsible for properly discarding them.

Contingency Budget

Mike Samson explained that the contingency budget is a new department heading that he has created for all discretionary funds that have not been spent in past years. These funds have simply been shifted from the department head budgets and will be used to purchase needed items in case of emergencies. This budget includes fire department funds for dry fire hydrants and possible

repair funds for the Engine Three pump truck if a warrant article for another truck is not approved by the voters.

Scott Borthwick noted that another purchasing opportunity for a demonstration fire truck will be available next March and that the town has some funds available in the reserve fund but that voter approval will be required.

There was general committee concern expressed that the Board of Selectmen will not be required to spend these contingency funds as they are intended. General discussion ensued that expenses that are not properly accounted for in the budget can gradually inflate the department budgets over time. Mike Samson acknowledged that accounting errors can happen but that he corrects errors as he is able to identify them. Mike Samson explained how the funds in the contingency budget will be reallocated in the last quarter of next year in order to balance any line items that may need to be over-expended due to an emergency.

Mike Samson summarized that the contingency budget also includes police department funds for overtime compensation and backordered supplies, such as ammunition. Mike Samson explained that there is a need to change a software system at the police department in order to help hold down the cost of overtime compensation. Several committee members expressed concern that the town's residents are expecting a level of service that the taxpayers can not afford. Scott Borthwick noted that the Board of Selectmen has collected feedback from the Police Chief and Fire Chief to better understand what kinds of calls should be regulated by ordinances and fines.

Mike Samson summarized that road reconstruction, salt and gravel, diesel fuel, and overtime compensation costs are included in the contingency budget for the highway department.

The contingency budget also includes funds for trash hauling and trash disposal. Mike Samson noted that he is still negotiating with Tim Lewis regarding the use of tandem pulls. Mike Samson also noted that he is looking at a more cost efficient system that is currently being used in Campton, NH. Mike Samson summarized that town officials are hoping for a ten percent increase in recycling efforts in order to reduce the trash disposal costs. Mike Samson added that the Lebanon's tipping fees will most likely be lowered in order for them to remain competitive in the market.

Mike Samson summarized that \$2,000 has been shifted to the contingency budget for fuel oil and propane in case rates or usage exceeds projections. Mike Samson noted that the funds include in the operating budget are based on actual usage plus ten percent and then multiplied by the highest quotes received.

Mike Samson summarized that he has also shifted funds from the legal, welfare, debt service, and emergency management budgets to the contingency budget since allocated funds in specific line items have not been utilized in the past.

Data Processing/ Hardware and Data Processing Support Budget

Mike Samson summarized that the cost for a Voice over Internet system has been taken out of the proposed budget since the Board of Selectmen has already approved the expenditure from this

year's budget. Mike Samson explained that new Internet connections are needed at the town office, the town garage, the highway department, and the fire department; that a town owned computer is needed at the Fire Department; and that a new server is needed at the Police Department. Mike Samson summarized that these upgrades will enable the departments to communicate more effectively and enable the town to better communicate with the public. Mike Samson also noted that a blanket municipal license is needed for an updated copy of the Microsoft Office software. Mike Samson also suggested an updated version of Microsoft FrontPage so that the town's website can be updated and improved.

Mike Samson noted that the allocation on the data processing software, hardware, and support line item needs to be corrected to \$13,500 since he made an error.

Capital Outlay Budget

Mike Samson summarized that the capital outlay budget has been reduced slightly to reflect the true cost for a new police cruiser.

Police Department Budget

Mike Samson noted that the retirement line item has been recalculated and has been reduced from \$67,000 to \$50,000. This decrease will help to offset the increase in the health insurance costs due to a personnel change to a family plan and the new federal mandates regarding autism and older dependant children. Mike Samson summarized that he will be meeting with the department heads again to consider various options that could be used to help minimize any increase to next year's operating budget.

Mike Samson commented that flexible spending accounts have been inquired about for the town employees. Also being considered is whether the part time employees can have an option of participating in the town's insurance plan at their cost.

General discussion ensued whether it is appropriate for the taxpayers to be paying for the insurance premiums for the families of the town's employees when businesses are shifting more of the insurance premium costs to their employees.

Approval of Minutes:

There was no review or approval of minutes at this time.

Chairman's Report and Selectman's Report:

David McAlister noted that the next meeting is scheduled on October 21st.

MOTION by Denis Salvail and seconded by David McAlister to adjourn the meeting at 9:17 P.M.

The motion was unanimously approved.

**TOWN OF CANAAN
BUDGET COMMITTEE MEETING
October 21, 2010
Canaan Fire Station
Final Copy**

Members present: David McAlister; Dave Barney; Karen Wolk; Russell Lester; Eleanor Davis; Denis Salvail; John Bergeron; Nathan Deleault; and Scott Borthwick. Also present were Town Administrator Mike Samson, Bob Scott, Police Chief Sam Frank, Fire Chief Bill Bellion, Ed Berger, and Al Posnanski,

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

David McAlister explained that a new member of the Budget Committee is needed due to Mr. Lawler's meeting absences this year. David McAlister noted that there are two residents interested in fulfilling the vacated position; Mr. Berger and Mr. Posnanski. It was later noted that this appointment will remain effective until the March 2011 election.

MOTION by Russell Lester and seconded by Denis Salvail to remove Craig Lawler as a member of the Budget Committee due to a hardship situation involving his mother's condition.

The motion was unanimously approved.

Ed Berger and Al Posnanski provided brief statements as to why they are interested in the position.

Dave Barney commented that an individual who has past experience with developing and managing budgets in a good sized organization would be beneficial to this committee. Dave Barney added that committee members should have "a good set of eyes and be open-minded".

John Bergeron noted that Ed Berger has participated on the Source Water Protection Committee.

Committee members than appointed Al Posnanski as a member of the Budget Committee after a roll call vote of six to three.

Mechanic Budget

Mike Samson commented that these line items were set based on past history and on past expenditures. There was general clarification that the repair line item is for contracted services when items can not be repaired in-house.

Scott Borthwick clarified that three percent salary increases have been budgeted for all town employees except for the assistant tax collector, Tom Guillette, and the Board of Selectmen.

Al Posnanski asked whether there is a specific repair line item or a schedule for equipment repair at the transfer station. Mike Samson responded no but that he is aware of several items that will require some time and labor from the town mechanic.

Highway Department Budget

Bob Scott summarized his proposed budget, as presented in the budget worksheet.

There was general discussion that town officials have met with other town officials regarding their practices and recommendations regarding road salt usage and the differences between manufactured sand versus regular sand. Mike Samson commented that they have been told that there is no significant cost-savings or advantages to using manufactured sand over regular sand. Bob Scott noted that it is his intent to try a reduced salt mixture on the roads this upcoming season by reducing the salt content by twenty-five percent. Dave Barney suggested that there be more discussion regarding the use of manufactured sand since he is aware of positive comments and results in other towns regarding manufactured sand.

Eleanor Davis asked what is included in the mowing line item. There was general explanation that equipment is rented for the town employees to remove tree limbs and to mow along the roads.

Scott Borthwick expressed concern that a significant increase of \$50,000 may impact the ability for voters to approve the warrant article regarding the reserve account for highway equipment. Mike Samson suggested that the warrant article language could be revised to read that the funds will come from undesignated fund balance so that no new appropriations are needed. John Bergeron suggested designating \$40,000 for highway trucks and \$40,000 for heavy equipment. It was noted that the intent is to present two warrant articles in March regarding highway department needs.

Dave Barney commented that \$80,000 is less than what the last Capital Improvement Plan recommends.

Mike Samson commented that he is deliberately removing the cushion from the department budgets so that the voters can see what the true costs are for each department. Mike Samson explained that an annual warrant article that designates specific uses for any undesignated surplus could easily fund equipment needs if there are no emergencies since state revenue is usually received and since there has typically been a surplus.

Street Lighting Budget

John Bergeron distributed copies of old warrant articles that have been presented to voters in the past regarding requests for street lighting. John Bergeron suggested that a warrant article be presented that authorizes the Board of Selectmen to implement street lighting changes as long as public safety is not impacted.

Police Department Budget

Chief Frank distributed supplemental information regarding his proposed 2011 budget. Chief Frank summarized that he is amenable to all of the line item allocations presented except for the Police Chief salary. Chief Frank explained that the voters approved a salary increase for the Police Chief position at the last Deliberative Session and that the operating budget was approved. However, the Board of Selectmen has refused to fund his salary increase. Chief Frank summarized that he has essentially received a decrease in his hourly rate to serve as the Chief of Police. Chief

Frank added that he currently oversees staff police officers who are earning a higher hourly rate than him.

Chief Frank clarified that there are five full time employees but six full time positions including his position and six part time employees.

There was general clarification that the police department's website will also be updated when the town office's website is done.

Eleanor Davis commented that some of the figures presented by Chief Frank, such as the police chief's salary, do not match what is presented as the department head's budget in the budget worksheet. Mike Samson explained that the Board of Selectmen has authorized a three percent salary increase for town employees so a three percent increase is what has been presented in the budget worksheet. Eleanor Davis responded that the Selectmen's proposed figures should not appear in the department head's column. Mike Samson offered to revise the budget worksheet to reflect Chief Frank's proposed salary amount but cautioned that the other department heads may also ask to include their wish list items after there was a collaborative effort to decrease the operating budget and establish a contingency budget.

Denis Salvail commented that the voters may have approved the salary increase at the Deliberative Session. However, the vote to support the operating budget should not be confused with supporting the salary increase since voting to support the operating budget was also a vote to support the lower budget figure compared to the default budget. Denis Salvail suggested that a separate warrant article would clarify whether the voters support a higher salary for the police chief position.

Chief Frank referenced police chief salaries and benefits in the surrounding towns and asked the Budget Committee members to consider his input and include his proposed salary so that he can at least have the opportunity to continue this conversation with the Board of Selectmen. General discussion ensued that the Budget Committee does not comment on the salaries of employees since setting salaries is the responsibility of the Board of Selectmen. It was noted that the Board of Selectmen are more amendable to funding items that are approved by the voters in a warrant article although they are not obligated to spend the funds.

Mike Samson commented that he has completed an assessment to compare base salaries of similar sized towns and Chief Frank's current salary is in the low to middle starting range for a police chief position. Mike Samson added that salary adjustments have not been made from the wage scale analysis since it was completed. Mike Samson also noted that wage increases are not being considered in most towns but that the CPI for northern New England is seven percent over the past three years.

There was general discussion that it was the union contract that created the discrepancy in the police department salaries, as well as, two years of a default budget and the lack of salary increases due to the downturned economy.

Al Posnanski asked whether any grant revenues support the police department budget. Chief Frank responded yes and explained that grants provide the opportunity for extra patrol time for speed and DWI enforcement. The amount is based on the size of the town, the department size, and the size on the operating budget.

Denis Salvail cautioned that grant funding only allows towns to live beyond their means and increases the size of government.

John Bergeron suggested that impact fees and ordinances could be implemented to help increase revenue. It was noted that impact fees and ordinances would also create additional paperwork and work time needed for collecting fees.

Mike Samson suggested and explained incremental tax financing for industrial and commercial development outside of the downtown village since no more users can be added to the water and sewer systems.

Emergency Management Budget

Chief Bellion explained that fifty percent of the funds for emergency supplies were shifted to the contingency budget. John Bergeron commented that only half of the funds requested for supplies are included in this budget. Mike Samson explained that the proposed budget resulted from a non-confrontational and mediated process that achieved all of the key interests of the departments. Mike Samson further explained that the contingency budget pools funds for items that may not be needed. There was general discussion that there was general satisfaction with the department heads working together to generate a budget that provides salary increases, can be supported by the voters, and that every department made sacrifices.

Scott Borthwick noted that the Board of Selectmen has initially reviewed this proposed budget and that two items have been removed: \$8,000 for the part time employee for the government buildings budget and the police cruiser pending documentation that justifies the replacement.

There was general discussion that the town needs system wide planning and a functioning Capital Improvement Plan now that the debt has been paid down and tax dollars can be used to building up the capital reserves.

Mike Samson commented that no budget cuts were made that directly impacts public safety or the primary function of the departments. Mike Samson added that the intent was to maintain or improve service and reduce cost with more economical methods.

Mike Samson clarified that three recommendations were forwarded to Steve Ward last August regarding replacements for Fire Engine 3, a police cruiser, and the Ford 550 at the highway department. Mike Samson added that information was also forwarded last September regarding the useful life and age of the town's equipment, as well as purchase preferences for the next two to three years. Mike Samson noted that a paving plan and road plan is currently being worked on.

Al Posnanski asked what the process will be for department heads to access funds in the contingency budget. Mike Samson explained that the Board of Selectmen will review requests and

the justifications every two weeks if the request is not an emergency. Mike Samson added that he is recommending that no funds be utilized until the third or fourth quarters unless the need is for an emergency.

Fire Department Budget

Chief Bellion explained that the increase in the equipment maintenance and communications line item is due to the need for new pagers with narrow banding before 2013, as well as, the need to resume testing on equipment that has been previously put on hold due to budget constraints.

Chief Bellion explained that the increase in the vehicle maintenance and repairs line item is for funds to remove the bottom rust of the rescue truck in order to extend the lifespan of the truck.

Chief Bellion explained that the increase in the equipment line item is for the continued replacement cycle for the turnout gear that last five to seven years depending on the amount of use each year.

Chief Bellion explained that additional training funds are needed for two new individuals interested in taking the level one fire fighting course.

There was general discussion regarding the ideal conditions needed to install a dry fire hydrant. Dave Barney offered to contact Bill Bellion to visit possible sites at Goose Pond when the water levels are at their lowest.

Chief Bellion noted that there will be a request for \$40,000 in a warrant article next March for the capital reserve in order to purchase a replacement fire truck.

Al Posnanski asked why the 1987 Fire Engine 3 can not be rebuilt instead of purchasing a new fire truck. Chief Bellion responded that the frame has already been rebuilt, tanks replaced, and body work completed and that additional drilling and bolting will be required next year to just enable the truck to provide the backup need of pumping water.

Approval of Minutes:

Committee members reviewed draft copies of the minutes dated September 30, 2010.

MOTION by David McAlister and seconded by Russell Lester to accept the minutes dated September 30, 2010, with corrections.

David McAlister noted that the words “River Road Bridge was” was mistakenly omitted on page two under the Bridge Inspection section.

David McAlister added that “2009” and “2010” need to be reversed on page five and that “page three” should be “page one”.

Karen Wolk suggested adding the words “section of the” in the last sentence of the Insurance Liability Budget section on page two.

Scott Borthwick suggested adding the words “for the Board of Selectmen” in the third paragraph on page two for the Selectmen.

Karen Wolk noted an incorrect verb tense in the second paragraph on page two.

Dave Barney noted the misspelling of Mike Samson’s name throughout the minutes.

Denis Salvail commented that the state legislature needs to be pressured to fix the problem of the rate increases for the retirement contributions since employees have been scamming the system for years. Eleanor Davis added that the towns contribute more to the retirement system than what the employees do and that the retirement contributions are calculated on the employee’s three highest paid years and that some employees are able to stockpile their vacation time and sick time, which increases the earnings. Mike Samson added that there are several towns who are considering a case action lawsuit against the State.

VOTE: 8 YES 0 NO 2 ABSTAIN [John Bergeron and Al Posnanski]

Chairman’s Report

David McAlister noted that he received an email from the Friends of Canaan Street requesting \$500 in next year’s operating budget for the maintenance of the bathhouse.

Selectman’s Report:

Scott Borthwick commented that the Board of Selectmen has reviewed the proposed budget line by line and has pulled out \$8,000 from the government building budget for the part time salary and the funds for a police cruiser until there is adequate justification received. Scott Borthwick thanked Mike Samson for his hard work and effort in putting together next year’s budget.

David McAlister noted that the next meeting is scheduled on November 4th.

MOTION by Russell Lester and seconded by Dave Barney to adjourn the meeting at 9:49 P.M.

The motion was unanimously approved.

**TOWN OF CANAAN
BUDGET COMMITTEE MEETING
November 4, 2010
Canaan Fire Station
Final Copy**

Members present: David McAlister; Dave Barney; Al Posnanski; Russell Lester; Eleanor Davis; Denis Salvail; John Bergeron; Nathan Deleault; Karen Wolk; and Scott Borthwick. Also present were Town Administrator Mike Samson, Bob Reagan, Marcia Wilson, and Tom Guillette.

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

David McAlister explained that this meeting is to review the Board of Selectmen's proposed budget for 2011.

Scott Borthwick summarized that the Selectmen's budget has received very few modifications from what the department heads agreed to and from what the Budget Committee has already reviewed. Scott Borthwick explained that the Board of Selectmen would prefer to request the police cruiser as a warrant article since the premiums for health insurance costs have increased approximately \$55,000 and the intent is to keep the operating budget as low as possible.

Scott Borthwick commented that tax bills were mailed and that the overall tax rate has decreased three cents since the school district returned a surplus from federal stimulus funds. Scott Borthwick clarified that the increase in the county tax rate is due to the construction of the new jail and that the tax rate will continue to increase for that purpose for the next three years. Scott Borthwick noted that a three percent salary increase has been included in this proposed budget for the town employees. It was noted that the Police Chief's salary has not been corrected in the department head column to what the department head had submitted for a salary figure.

Scott Borthwick clarified that the proposed \$8,000 for part time help in the government buildings budget was removed. Marcia Wilson explained that the \$8,000 had been recommended by the Recreation Committee to provide seasonal assistance to Tom Guillette. Scott Borthwick added that the town purchased a zero turn radius lawn tractor which should decrease the amount of time needed to mow lawns and allow him more time to work on the list of building projects.

Dave Barney noted that the name of the Goose Pond Lake Association needs to be corrected in the operating budget. Dave Barney asked why the association's request for \$2,000 has been reduced to \$1,800. It was noted that the Canaan Lake Association requested \$1,800. Budget committee members requested that the \$1,800 figure be corrected in the department head column to \$2,000.

John Bergeron reminded committee members that the Friends of Canaan Street requested funds in the operating budget for the upkeep of the bathhouse, which has not included in the proposed budget yet. Scott Borthwick commented that the request needs to be presented to the Recreation Committee for their recommendation. Scott Borthwick added that the memorandum of understanding needs to be reviewed regarding the bathhouse since the organization is responsible for some of the upkeep costs.

There was general consensus to add the \$500 for the bathhouse upkeep to the maintenance and repair line item of the recreation budget. It was also noted that the department head figure proposed for the Police Chief's salary was \$62,308. Committee members proceeded to calculate the adjustments needed to the budget totals as a result.

John Bergeron suggested a warrant article that authorizes the Board of Selectmen to remove street lighting. Scott Borthwick responded that a public hearing needs to be scheduled to collect feedback but that a warrant article will probably be presented to the voters. Mike Samson suggested that the funds to remove street lighting should be taken from the contingency budget.

It was noted that the area and regional advertising organizations will need to submit warrant articles if they are seeking funding from Canaan taxpayers.

There was general discussion whether there should be a split in the requested amount for the highway capital reserve fund for trucks versus heavy equipment. Mike Samson commented that the tax payers have historically supported whatever the Budget Committee has recommended. Mike Samson noted that there has historically been \$200,000 to \$400,000 in the undesignated fund balance. Mike Samson reasoned that an \$80,000 request to use funds from the undesignated fund balance could get the taxpayers use to funding all equipment replacements from the undesignated fund balance. Mike Samson commented that this practice could easily maintain the equipment and the capital reserve funds for the next ten to fifteen years if there are no emergency situations.

Eleanor Davis commented that she has a hard time supporting warrant articles for the capital reserve accounts without recommendations from the Capital Improvement Plan Committee and the town mechanic and without knowing the existing condition of the equipment already owned.

Eleanor Davis commented that the highway department should establish special revenue funds once the CIP is established. Mike Samson responded that moving funds from the undesignated fund balance with voter approval to the capital reserve funds would accomplish the same task.

Bob Reagan commented that any department head request to replace equipment will be required to submit a complete report on the condition of the equipment, which can include quotes from outside sources.

Al Posnanski asked why there is a significant increase in the electricity line item of the transfer station budget. Mike Samson responded that the amount budgeted reflects how the usage is being billed but obviously there is a mix-up with the wastewater plant perhaps, which needs to be corrected for next year. Eleanor Davis suggested that the extra usage may account for some street lighting.

Mike Samson explained that he has reduced the contingency for the transfer station since this year's actual costs do not support the need for additional funds. Mike Samson added that he is hoping to be able to use surplus funds at the end of this year to complete needed renovations and updates at the transfer station.

John Bergeron asked why nothing has been spent on tire disposal since there are many tires stockpiled at the transfer station. Mike Samson agreed that this situation needs to be addressed.

Dave Barney asked what the \$500 for site improvements at the transfer station will be used for. Mike Samson responded for signage and concrete blocks.

Eleanor Davis asked whether the \$5,000 buyout for the employee health insurance applies to a single person plan and the family plan. Mike Samson clarified that only \$5,000 is offered and that the employee must opt out of all plans in order to receive the buyout. Mike Samson added that the buyout is considered taxable income.

Approval of Minutes:

There was no review of minutes at this time.

Chairman's Report and Selectman's Report:

There were no reports provided at this time.

David McAlister noted that the next meeting is scheduled on November 18th.

John Bergeron requested a list of the area and regional agencies who have confirmed that they will be submitting a warrant article for next March.

David McAlister requested an updated budget worksheet with all of the needed corrections to the department head column.

Eleanor Davis asked when the next Deliberative Session is scheduled. Mike Samson responded February 5th in the afternoon. Eleanor Davis noted that the deadline for the Budget Committee's public hearing is January 18th and that the deadline for petition warrant articles is January 11th. Eleanor Davis suggested January 13th for the Public Hearing date.

Eleanor Davis commented that she would like to review the default budget before the Budget Committee votes on the proposed operating budget.

Public Comment

Al Posnanski announced that the 4-H Camp Chicken Pie supper is this Saturday from 5 to 7 P.M.

Dave Barney noted a Veterans Day program at the elementary school at 1:30 P.M. Dave Barney added that on Wednesday veterans are welcomed to a free breakfast at the Lebanon Legion Post, Veterans Day program at the senior center in Canaan, and free meals for veterans at the Applebee Restaurant.

Scott Borthwick noted a flag retirement on November 14th at 2 P.M. with the Boy Scouts with a bread and soup supper.

MOTION by Russell Lester and seconded by Dave Barney to adjourn the meeting at 7:50 P.M.

The motion was unanimously approved.

**TOWN OF CANAAN
BUDGET COMMITTEE MEETING
November 18, 2010
Canaan Fire Station
Final Copy**

Members present: David McAlister; Dave Barney; Al Posnanski; Russell Lester; Eleanor Davis; Denis Salvail; John Bergeron; Nathan Deleault; Karen Wolk; and Scott Borthwick. Also present were Town Administrator Mike Samson.

David McAlister called the meeting to order at 7:05 P.M. and took attendance.

David McAlister noted that everyone should have an updated copy dated November 17th of the proposed 2011.

There was a correction noted on page one that the town moderator's salary should be listed as \$515 in the 2011 department budget column.

Executive Budget: 01-4130.10

MOTION by Russell Lester and seconded by Dave Barney to approve a total 2011 budget of \$10,290.58 for the executive budget, as recommended by the Board of Selectmen on the 2011 budget worksheet.

Eleanor Davis asked whether the funds for the administrative support and printing line items were moved into another budget. Mike Samson responded that the data processing budget now includes the funds for Sharon Duffy's position.

Mike Samson commented that the printing line item has always been budgeted at one dollar. Scott Borthwick added that the line item had been previously used for the printing of the Selectmen's newsletter. Eleanor Davis suggested that line items that have not been used in awhile should be eliminated especially when there is a similar line item in another budget. Eleanor Davis explained that expenditures are too often accounted for in the wrong line item. Russell Lester noted that line items should not be eliminated since past history is lost when line items are consolidated. There was general committee consensus to not eliminate the printing line item.

VOTE: 8 YES 1 NO [E. Davis] 1 ABSTAIN [S. Borthwick]

Town Administrator Budget: 01-4130.20

MOTION by Russell Lester and seconded by Dave Barney to approve a total 2011 budget of \$61,762.87 for the town administrator budget, as recommended by the Board of Selectmen on the 2011 budget worksheet.

Eleanor Davis asked how the \$52,116 salary was determined. Mike Samson responded that the salary figure budgeted is his current salary plus three percent.

Eleanor Davis commented that the retirement figures should be double checked throughout the proposed budget for accuracy.

Dave Barney asked whether all of the salaries for the town positions include a three percent salary increase except for the Board of Selectmen. Scott Borthwick responded yes but clarified that the assistant town clerk position was changed in terms of hours and that Tom Guillette's position did not receive the three percent increase since his salary was adjusted last year.

VOTE: 9 YES 1 NO [E. Davis]

Town Meeting Budget – 01-4130.30

Dave Barney asked whether the miscellaneous line item should be left blank. Discussion ensued whether this line item should include a zero, one dollar, or be eliminated from the budget.

MOTION by John Bergeron and seconded by Dave Barney to add one dollar to the miscellaneous line item in the 2011 meeting budget.

VOTE: 7 YES 3 NO

MOTION by Russell Lester and seconded by Dave Barney to approve a total 2011 budget of \$3,055.40 for the meeting budget.

VOTE: 8 YES 2 NO

Town Clerk/ Tax Collector Budget: 01-4140.10

MOTION by Russell Lester and seconded by Dave Barney to approve a total 2011 budget of \$75,985.12 for the town clerk/ town collector, as recommended by the Board of Selectmen on the 2011 budget worksheet.

VOTE: 8 YES 1 NO [E. Davis] 1 ABSTAIN [D. McAlister]

Election Budget: 01-4140.20 and 01-4140.30

MOTION by Russell Lester and seconded by David McAlister to approve a total 2011 budget of \$3,000 for the election budget, as recommended by the Board of Selectmen on the 2011 budget worksheet.

VOTE: 10 YES 0 NO

Financial Administration Budget: 01-4150.10

MOTION by Russell Lester and seconded by Dave Barney to approve a total 2011 budget of \$74,124.70 for the financial administration budget, as recommended by the Board of Selectmen on the 2011 budget worksheet.

VOTE: 10 YES 0 NO

Budget Committee Budget: 01-4150.20

MOTION by Russell Lester and seconded by Dave Barney to approve a total 2011 budget of \$1,207 for the Budget Committee budget, as recommended by the Board of Selectmen on the 2011 budget worksheet.

VOTE: 10 YES 0 NO

Dave Barney asked what the last line item of the Budget Committee budget is used for. Eleanor Davis responded registration fees for LGC workshops.

Assessing Budget: 01-4150.30

MOTION by Russell Lester and seconded by Dave Barney to approve a total 2011 budget of \$87,496.23 for the assessing budget, as recommended by the Board of Selectmen on the 2011 budget worksheet.

VOTE: 8 YES 2 NO [E. Davis and D. Salvail]

Treasurer Budget: 01-4150.50

MOTION by Russell Lester and seconded by Dave Barney to approve a total 2011 budget of \$5,851.50 for the treasurer budget, as recommended by the Board of Selectmen on the 2011 budget worksheet.

VOTE: 10 YES 0 NO

Trustees of the Trust Fund Budget: 01-4150.55

MOTION by Russell Lester and seconded by Dave Barney to approve a total 2011 budget of \$610.84 for the Trustees of the Trust Fund budget, as recommended by the Board of Selectmen on the 2011 budget worksheet.

VOTE: 10 YES 0 NO

It was noted that Cindy Neily is the Trustee that is paid the stipend.

Data Processing Budget: 01-4150.60

Mike Samson clarified that this budget includes Sharon Duffy's position, as well as, the two technology consultants.

Dave Barney asked why the salary benefits, such as FICA and Medicare, are not included in this budget as line items. Mike Samson responded that these positions are contracted services but that he will research why the budget worksheet does not include those salary benefit line items.

There was general consensus to table the approval of this data processing budget until the next meeting.

Legal Budget: 01-4153.10

MOTION by Russell Lester and seconded by Dave Barney to approve a total 2011 budget of \$37,826 for the legal budget, as recommended by the Board of Selectmen on the 2011 budget worksheet.

Eleanor Davis commented that Cindy Neily is consulting with an attorney about using funds from the Wells Water Trust for other undesignated cemetery purposes plus any legal fees incurred if she is able to. Mike Samson commented that there should be ample funds available in the town's legal budget if it is deemed that trust funds can not be used for legal fees.

VOTE: Unanimous in the affirmative

Public Administration Budget: 01-4155.10

MOTION by Nathan Deleault and seconded by Dave Barney to approve a total 2011 budget of \$363,315 for the public administration budget, as recommended by the Board of Selectmen on the 2011 budget worksheet.

VOTE: 8 YES 2 NO

Planning Board Budget: 01-4191

MOTION by Nathan Deleault and seconded by Dave Barney to approve a total 2011 budget of \$1,104 for the Planning Board budget, as recommended by the Board of Selectmen on the 2011 budget worksheet.

A vote was not taken on this motion.

John Bergeron requested that committee members reconsider the amount allocated for the Upper Valley Lake Sunapee Regional Planning Commission since they provide support and training for Planning Board items and water quality issues. Dave Barney agreed with John Bergeron.

Scott Borthwick commented that UVLSRPC's past performance and charges have been a disservice to the Town of Canaan. Eleanor Davis added that the Chair of the Planning Board did not recommend an allocation for the UVLSRPC.

MOTION by John Bergeron and seconded by Dave Barney to add \$400 to the UVLSRPC line item in the Planning Board budget.

VOTE: 2 YES 7 NO 2 ABSTAIN [N. Deleault and K. Wolk]

MOTION by Nathan Deleault and seconded by Dave Barney to approve a total 2011 budget of \$1,104 for the Planning Board budget, as recommended by the Board of Selectmen on the 2011 budget worksheet.

VOTE: 9 YES 1 NO

Government Buildings Budget: 01-4194.10

MOTION by Russell Lester and seconded by Dave Barney to approve a total 2011 budget of \$83,708 for the Government Buildings budget, as recommended by the Board of Selectmen on the 2011 budget worksheet.

Eleanor Davis asked what town buildings are included in this budget. Mike Samson responded fire, police, highway, library, museum, meeting house, and the senior center.

VOTE: 9 YES 1 NO [E. Davis]

Cemetery Budget: 01-4195.10

MOTION by Russell Lester and seconded by Dave Barney to approve a total 2011 budget of \$24,480 for the cemetery budget, as recommended by the Board of Selectmen on the 2011 budget worksheet.

Eleanor Davis commented that she is going to abstain from this vote. Eleanor Davis added that some of the expenditures need to be adjusted and that the Cemetery Trustees did not spend as much as the 2010 columns show since there will be a \$1,800 reimbursement for a newly drilled well in the cemetery.

VOTE: 9 YES 0 NO 1 ABSTAIN [E. Davis]

Property & Liability Insurance Budget: 01-4196.10

MOTION by Russell Lester and seconded by Dave Barney to approve a total 2011 budget of \$47,421.15 for the property and liability insurance budget, as recommended by the Board of Selectmen on the 2011 budget worksheet.

VOTE: Unanimous in the affirmative

Area and Regional Advertising Budget: 01-4197

MOTION by John Bergeron and seconded by Dave Barney to add a miscellaneous line item with a one dollar allocation to the area and regional advertising budget.

VOTE: 3 YES 7 NO

MOTION by Russell Lester and seconded by David McAlister to approve a total 2011 budget of zero dollars for the area and regional advertising budget, as recommended by the Board of Selectmen on the 2011 budget worksheet.

VOTE: 7 YES 3 NO

General Government Budget: 01-2199

MOTION by Russell Lester and seconded by Dave Barney to approve a total 2011 budget of \$35,568 for the general government budget, as recommended by the Board of Selectmen on the 2011 budget worksheet.

Eleanor Davis asked why \$3,000 has been allocated in the advertising line item when approximately \$700 has been spent this year. Mike Samson explained that a published grand list of all the properties in the town is required by state law every five years.

VOTE: Unanimous in the affirmative

Ambulance Budget: 01-4215

MOTION by Russell Lester and seconded by Dave Barney to approve a total 2011 budget of \$55,000 for the ambulance budget, as recommended by the Board of Selectmen on the 2011 budget worksheet.

It was noted that this appropriation would be for the third year of the three year contract. There was general discussion that this contract did not bind the town to a three year contract since the voters need to approve the appropriation each year.

VOTE: 8 YES 2 NO

Building Inspector Budget: 01-4240.10

MOTION by Russell Lester and seconded by Dave Barney to approve a total 2011 budget of \$11,625 for the building inspector budget, as recommended by the Board of Selectmen on the 2011 budget worksheet.

VOTE: Unanimous in the affirmative

Bridge Inspection Budget: 01-4313.20

MOTION by Russell Lester and seconded by David McAlister to approve a total 2011 budget of \$1 for bridge inspection, as recommended by the Board of Selectmen on the 2011 budget worksheet.

VOTE: Unanimous in the affirmative

Street Lighting Budget: 01-4316.10

MOTION by Russell Lester and seconded by Denis Salvail to approve a total 2011 budget of \$10,000 for the street lighting budget, as recommended by the Board of Selectmen on the 2011 budget worksheet.

A vote was not taken on this motion.

Eleanor Davis commented that she suspects that the lighting for the transfer station is mistakenly included in this budget. Mike Samson responded that he agrees but that the overall costs are correct and that the accounting will be corrected in the future.

Scott Borthwick commented that the review of the billing has generated an overall savings since the town was being charged for twelve streetlights that do not exist any more.

MOTION by Scott Borthwick and seconded by John Bergeron to table consideration of this budget until after the scheduled public hearing on November 23rd.

VOTE: Unanimous in the affirmative

Transfer Station Budget: 01-4323.10 and 01-4324

MOTION by Russell Lester and seconded by David McAlister to approve a total 2011 budget of \$155,222.52 for the transfer station budget, as recommended by the Board of Selectmen on the 2011 budget worksheet.

A vote was not taken on this motion.

Denis Salvail asked why the transfer station budget has decreased. Mike Samson summarized that a full time position was eliminated and that only half of the pulls are expected next year by using a olive floor transfer station and a tractor trailer truck. Mike Samson added that the recycling efforts have increased from 160 tons to 260 tons within two years. It was also noted that the total operational costs for recycling were entirely

paid for during the past year and that the town collected two or three thousand dollars in revenue from the single stream recycling.

Eleanor Davis requested a review of the special revenue funds at the next Budget Committee meeting.

MOTION by John Bergeron and seconded by David McAlister to add one dollar to the heat line item in the transfer station budget.

VOTE: Unanimous on the affirmative

MOTION by Russell Lester and seconded by David McAlister to approve a total 2011 budget of \$155,223.52 for the transfer station budget, as recommended by the Board of Selectmen on the 2011 budget worksheet.

VOTE: Unanimous on the affirmative

Health Budget: 01-4413.10

MOTION by Russell Lester and seconded by Dave Barney to approve a total 2011 budget of \$1,055.40 for the health budget, as recommended by the Board of Selectmen on the 2011 budget worksheet.

VOTE: Unanimous in the affirmative

Welfare Budget – 01-4441 and 01-4445

MOTION by Russell Lester and seconded by Dave Barney to approve a total 2011 budget of \$61,099 for the welfare budget, as recommended by the Board of Selectmen on the 2011 budget worksheet.

VOTE: 8 YES 0 NO 2 ABSTAIN [D. Salvail and E. Davis]

Recreation Budget: 01-4194 and 01-4520

Dave Barney suggested that the recreation budget should not be considered until the discussion is properly noticed and interested parties are present. There was general consensus to invite the Friends of the Canaan Street Bathhouse and the Goose Pond Lake Association to the next committee meeting. Scott Borthwick noted that he has requested that a representative from the Friends of the Canaan Street Bathhouse be added to the Recreation Commission but that no one has volunteered yet.

Approval of Minutes:

Committee members reviewed draft copies of the October 7th, October 21st, and November 4th, 2010 minutes.

MOTION by David McAlister and seconded by Russell Lester to accept the October 7th, 2010 minutes, as written.

There were no corrections suggested at this time.

VOTE: 6 YES 0 NO 4 ABSTAIN [K. Wolk, D. Barney, A. Posnanski, and R. Lester]

MOTION by David McAlister and seconded by Russell Lester to accept the October 21st, 2010 minutes, as corrected.

Dave Barney suggested adding the word "last" and deleting "for 2011" on page two. Dave Barney corrected the misspelling of "amenable" on pages two and three.

John Bergeron suggested deleting the words "issuing fines and" on page four.

VOTE: 9 YES 0 NO 1 ABSTAIN [A. Posnanski]

MOTION by David McAlister and seconded by Dave Barney to accept the November 4th, 2010 minutes, as corrected.

Karen Wolk noted that she was present for this meeting.

It was suggested that the word "for" be deleted on page two.

Dave Barney and Russell Lester offered to work together and revise the wording of the second paragraph under the Public Comment heading on page three.

VOTE: Unanimous in the affirmative

Chairman's Report

David McAlister thanked committee members for their cooperation in moving ahead with the budget review schedule.

David McAlister noted that the next meeting is scheduled on December 2nd to review the fire, police, and highway budgets. The following budgets will be reviewed at the meeting on December 16th: library; water and sewer; recreation; data processing; and street lighting.

Selectmen's Report

Committee members reviewed a 2010 YTD revenue report starting on page twelve of the budget worksheet dated November 17, 2010. Mike Samson clarified that the 2010 YTD column reflects through October 2010, whereas, the 2009 YTD column reflects through November 2009.

Dave Barney suggested that the 2009 data would be helpful to have for comparison purposes.

John Bergeron commented that the Planning Board approves appropriate reclamation plans for quarries.

Mike Samson explained that the town will be receiving less from the NH Highway Block Grant next year but that a contingency fund within the operating budget has been set up.

Scott Borthwick clarified that the shared revenue block grant will not be available next year but that funds from the rooms and meals tax will be available.

MOTION by Denis Salvail and seconded by Russell Lester to adjourn the meeting at 9:13 P.M.

The motion was unanimously approved.

**TOWN OF CANAAN
BUDGET COMMITTEE MEETING
December 2, 2010
Canaan Fire Station
Final Copy**

Members present: David McAlister; Dave Barney; Al Posnanski; Russell Lester; Eleanor Davis; Denis Salvail; John Bergeron; Karen Wolk; and Scott Northwick. Also present were Town Administrator Mike Samson, Cindy Neily, Larry Brabant, Bob Scott; Bill Bellion; Sam Frank, Mike Roy, and Michael Riese.

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

Library Budget: 02-4551

MOTION by Russell Lester and seconded by Dave Barney to approve a 2011 contribution of \$116,543 to the library, as recommended by the Board of Selectmen on the 2011 budget worksheet.

It was noted that some of the increase is due to the increase in salary and salary related benefits.

Cindy Neily asked what the increase is in the health insurance. Mike Samson responded 15.8%.

Eleanor Davis commented that the accounting for the library budget should include the same line items as every other department's budget. Eleanor Davis noted that the health insurance cost is included in the library budget, whereas the health insurance costs for all of the other departments is included in the public administration budget. Eleanor Davis also noted that the library budget does not include all of their utility costs as the other department budgets do. Mike Samson commented that he is unable to include the health insurance costs for the library in the town's operating budget since the library funds are a separate entity. Mike Samson also explained that some of the utilities are not included in the library's budget since the town receives and pays some of the bills for the entire building.

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

Mechanic Budget: 01-4299.10

MOTION by Russell Lester and seconded by Dave Barney to approve a total 2011 budget of \$124,582 for the mechanic budget, as recommended by the Board of Selectmen on the 2011 budget worksheet.

Eleanor Davis asked whether the town mechanic is considered a department head. Scott Borthwick explained that the town mechanic reports to the Road Agent but that the town mechanic creates the budget for the garage.

Al Posnanski asked what is included in the tools line items. Larry Brabant responded that replacements and updates are often needed.

Dave Barney asked why the petroleum products line item has been reduced. Larry Brabant responded that the allocation had been increased in past years when the prices were high but that the actual consumption level has been less than budgeted.

There was general clarification that the Board of Selectmen could authorize funds for the purchase of a computer system for diagnostics if and when it is decided that one is needed.

VOTE: 8 YES 1 NO [E. Davis]

Highway Budget: 01-4311 and 01-4312

MOTION by Russell Lester and seconded by Dave Barney to approve a total 2011 budget of \$52,680 for the highway budget, as recommended by the Board of Selectmen on the 2011 budget worksheet.

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

MOTION by Russell Lester and seconded by Dave Barney to approve a total 2011 budget of \$434,396.84 for the highway budget, as recommended by the Board of Selectmen on the 2011 budget worksheet.

Al Posnanski asked whether the waste oil is factored into the budgeting for the heating oil and gas line item. Mike Samson explained that the figure budgeted is based on actual so the use of waste oil is a factor but not the only reason for the decrease.

Dave Barney asked what the funds in the training and education line item are used for. Bob Scott responded for various classes that are available.

Al Posnanski commented that the state's plow truck drivers are required to take a class on how to spread road salt. Al Posnanski asked whether the town employees are impacted by this requirement. Bob Scott responded no.

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

MOTION by Russell Lester and seconded by Denis Salvail to approve a total 2011 budget of \$289,713 for the highway budget, as recommended by the Board of Selectmen on the 2011 budget worksheet.

Al Posnanski asked whether Magic Salt is being used on the town's roads. Bob Scott responded that he is using a less expensive product this year that is mixed with the road salt but is not as effective as Magic Salt. Bob Scott explained that these products make the salt work at lower temperatures and the product adheres better to the road.

Dave Barney asked whether the amount of phosphorous is the same for both products. Bob Scott responded that the product being used has a similar phosphorous amount compared to Magic Salt.

Mike Samson explained that he believes that the town will receive \$121,000 in Block Grant funds next year so \$121,000 plus the \$50,000 in the road reconstruction line item plus whatever is left from this year's budget plus the highway contingency funds will provide a total of \$250,000 for road maintenance, which is probably more than what can be done in one year so the contingency funds will most likely not be utilized.

John Bergeron asked why allocated funds are not spent each year on road maintenance. Bob Scott responded that there is often not enough time in the year to get the funds spent and the road maintenance completed due to the contracted services involved.

Dave Barney asked whether the highway department is fully staffed at this time. Bob Scott responded yes since one position was eliminated.

Dave Barney asked what the status is on using computer software to track road maintenance. Mike Samson responded that the software has been installed and that the data input needs to be completed. Mike Samson summarized that the software and data should be available for review during the following year's budget review process.

Russell Lester commented that many of the roads needing maintenance have required significant prep work, such as ditching and cutting trees. Russell Lester commended the highway department for the work that has been done this year.

Mike Samson commented that the Capital Improvement Plan includes information on how to repave and rebuild all of the paved roads with a \$250,000 allocation each year.

VOTE: Unanimous in the affirmative

Fire Department Budget: 01-4220

MOTION by Russell Lester and seconded by Dave Barney to approve a total 2011 budget of \$99,485.85 for the Fire Department budget, as recommended by the Board of Selectmen on the 2011 budget worksheet.

Eleanor Davis asked what the funds will be used for that is allocated in the vehicle maintenance and repairs line item. Bill Bellion responded for body work and paint work on the rescue truck. Bill Bellion clarified that the proposed warrant article is to replace Engine 3 and that these line item funds are not intended for Engine 3.

Dave Barney asked why the allocation has increased in the equipment line item. Bill Bellion responded that the majority of the need is for replacement turnout gear.

David McAlister asked what the average lifespan is on the turnout gear. Bill Bellion responded that the department tries to get five to seven years depending on who is wearing it. Mike Samson added that the replacement of turnout gear is a multi year plan. Bill Bellion noted that approximately half of the turnout gear being worn at this time does not meet the current safety standards in regards to reflectivity and having a drag rescue device.

There was general discussion that there is not an ideal location on Goose Pond to install a dry hydrant unless the Town of Hanover was receptive to a cooperative effort near Marshall Brook.

Scott Borthwick asked whether Canaan has a mutual aid agreement with Lebanon. Bill Bellion responded yes. Scott Borthwick asked whether Lebanon's cutbacks will impact Canaan at all. Bill Bellion responded that he is not aware of any changes but that he will follow-up with the question.

VOTE: Unanimous in the affirmative

Emergency Management Budget: 01-4290

MOTION by Russell Lester and seconded by Dave Barney to approve a total 2011 budget of \$48,862 for the emergency management budget, as recommended by the Board of Selectmen on the 2011 budget worksheet.

Bill Bellion summarized that funds for supplies were included in the contingency fund instead of in the operating budget for next year.

There was general committee consensus to rename the emergency management line item to emergency supplies.

Bill Bellion noted that three generators were purchased with funds allocated for supplies this year.

VOTE: Unanimous in the affirmative

Police Department Budget: 01-4210

MOTION by Russell Lester and seconded by Dave Barney to approve a total 2011 budget of \$478,234.24 for the Police Department budget, as recommended by the Board of Selectmen on the 2011 budget worksheet.

There was no vote on this motion at this time.

MOTION by John Bergeron and seconded by Dave Barney to approve a total 2011 budget of \$492,285.24 for the Police Department budget.

A vote was not taken at this time.

Dave Barney asked whether the only difference between the two budget totals is the police chief's salary and the salary related benefits. Mike Samson responded yes.

Karen Wolk asked whether the existing salary is an equitable way to manage the Police Chief's salary no matter who is elected for that position. Scott Borthwick responded that the discrepancy in the salaries resulted from the union contract and the fact that no salary increases were provided for two years. Karen Wolk advocated that the Police Chief's salary should be adjusted to a more equitable figure.

Eleanor Davis suggested that the salary increase provided to the sergeant position outside of the union contract should be investigated. Sam Frank clarified that this salary for the senior sergeant position was adjusted in 2008 so that another police officer could be promoted to a sergeant position and not be earning as much as the senior sergeant.

Sam Frank distributed a handout that summarizes statistics from towns of a similar size to Canaan. Sam Frank later clarified that this information was collected a month ago by the Town of Boscawen, NH. Sam Frank summarized that Canaan is one of the busier towns in regards to the number of accidents, arrests, and calls for service with fewer police officers yet his salary ranks 46th on the pay scale out of fifty towns. Sam Frank commented that he has proven himself in keeping his department's expenditures low and in keeping the town out of trouble despite the position not always being a pleasant job to have.

David McAlister cautioned that the Budget Committee should not be setting the salaries for town employees. David McAlister also commented that the request for a Police Chief's salary increase should be made through a warrant article so that the voters can vote on it.

Scott Borthwick clarified that the Board of Selectmen chose not to provide the salary increase for the Police Chief this year because the increase was added to the operating budget at the Deliberative Session by a small minority of voters. Scott Borthwick added that providing the salary increase could have set a precedent for the other town employees.

Eleanor Davis commented that the Board of Selectmen should request an updated salary survey if they do not want employees approaching them individually for salary increases.

General discussion ensued whether the Police Chief's subordinates should be earning a higher hourly rate when the Police Chief has more responsibility. Sam Frank commented

that he works many hours that he is not being compensated for since he is trying to keep the overtime expenditures as low as possible.

Scott Borthwick asked how the \$62,308 salary was determined. Sam Frank responded that if he had remained in the sergeant position, then he would be making \$59,925 in 2011 and that \$62,308 is approximately \$4,000 more than the senior sergeant position.

MOTION by Russell Lester and seconded by David McAlister to move the question.

VOTE: 7 YES 2 NO

MOTION by John Bergeron and seconded by Dave Barney to approve a total 2011 budget of \$492,285.24 for the Police Department budget.

VOTE: 4 YES 5 NO [D. McAlister, D. Salvail, S. Borthwick, A. Posnanski, R. Lester]

MOTION by John Bergeron and seconded by Dave Barney to increase the Police Chief's salary to 59,000 in the Police Department budget.

There was no vote taken at this time.

MOTION by Russell Lester and seconded by David McAlister to move the question.

VOTE: 8 YES 1 NO

MOTION by John Bergeron and seconded by Dave Barney to increase the Police Chief's salary to 59,000 plus the needed adjustments for FICA and retirement in the Police Department budget.

VOTE: 5 YES 4 NO [D. Salvail, S. Borthwick, A. Posnanski, R. Lester]

Dave Barney requested that a salary survey for all of the town employee positions be completed next year. Dave Barney offered to amend the operating budget to include the funds needed for the salary survey. Mike Samson offered to call Local Government Center to see what the cost would be for a completed salary survey.

Scott Borthwick asked why the Road Agent's salary is a separate line item when the salaries for the other department heads are not separate. Eleanor Davis responded that the Department of Revenue Administration separates the Road Agent's salary on their MS-7 form.

Recreation Budget: 01-4520

MOTION by Russell Lester and seconded by Dave Barney to approve a total 2011 budget of \$11,702 for the recreation budget, as recommended by the Board of Selectmen on the 2011 budget worksheet.

A vote was not taken on this motion at this time.

MOTION by John Bergeron and seconded by Dave Barney to accept a total 2011 budget of \$12,402 for the recreation budget.

Dave Barney distributed a letter summarizing a request of \$2,000 to the Goose Pond Lake Association. Dave Barney noted that he has resigned as the President of this association although he still participates on the Board of Directors. Dave Barney summarized that the Lake Host program is important to maintain in order to protect the water quality and the property values from the increasing spread of milfoil from other surrounding water bodies. Dave Barney noted the two milfoil findings on boats since the program was established and the volunteer effort and part-time paid position that is used every weekend and holiday from Memorial Day through Columbus Day.

Al Posnanski asked why the Goose Pond Lake Association should receive \$2,000 when the Canaan Street Lake Association is requesting \$1,800. Dave Barney responded that the greater number of boats and the larger size of Goose Pond create a greater risk to Goose Pond.

Mike Roy from Friends of Canaan Street Lake Bath House referenced an October 19th letter that was submitted. Mike Roy summarized the successful volunteer effort to refurbish the exterior and interior painting and the paid position for weekly cleanings between Memorial Day and Labor Day. The town provided the paper products, the electricity, and the septic pump maintenance. It was noted that \$840 was received in donations and the total expense for weekly cleanings was \$350. Therefore, a balance of \$490 exists. Mike Roy summarized that the Board of Selectmen had requested last year that the Friends of Canaan Street Lake Bath House contribute toward the maintenance and operation cost of the bath house. It was proposed that a line item be added to the operating budget with a \$500 allocated so that the future availability of the bath house can be overseen by the town. Mike Roy offered the \$490 balance as a donation for next year's expenses.

Eleanor Davis commented that last year's warrant article regarding the bath house did not include any funds. Therefore, the Budget Committee did not express an opinion regarding the bath house. Eleanor Davis added that she can not support adding a line item for the bath house expenses without explicit approval from the tax payers.

John Bergeron commented that the Town of Canaan had been maintaining and servicing the bath house prior to last year from the operating budget.

Scott Borthwick commented that the Board of Selectmen will be reviewing the memorandum of understanding regarding the bath house at their next meeting. Scott Borthwick suggested that the Budget Committee's vote on the recreation budget be tabled until the next meeting. There was general committee member consensus to table the vote until the next meeting.

Eleanor Davis expressed concern that the fuel cost for mowing should be allocated in the same budget that includes the mower and labor costs for mowing.

John Bergeron suggested that the hourly part time line item should include one dollar in order to maintain the line item.

MOTION by Russell Lester and seconded by Al Posnanski to move the fuel line item from the recreation budget to the government buildings budget.

VOTE: Unanimous in the affirmative

MOTION by John Bergeron and seconded by Russell Lester to add one dollar to the hourly part time line item and one dollar to the part time FICA/ Medi line item in the recreation budget.

VOTE: 8 YES 1 NO [Eleanor Davis]

Street Lighting Budget: 01-4316.10

Scott Borthwick summarized that very few residents attended the Public Forum regarding street lights. However, there was one verbal request and another written request to maintain a specific light on Canaan Street so the Board of Selectmen has agreed to maintain that street light. Scott Borthwick added that several recommendations were received to remove six additional streetlights. Scott Borthwick suggested approving the street lighting budget, as presented in the budget worksheet.

MOTION by Russell Lester and seconded by David McAlister to approve a total 2011 budget of \$10,000 for the street lighting budget, as recommended by the Board of Selectmen on the 2011 budget worksheet.

VOTE: Unanimous in the affirmative

Data Processing Budget: 01

MOTION by Russell Lester and seconded by Dave Barney to approve a total 2011 budget of \$26,420 for the data processing budget, as recommended by the Board of Selectmen on the 2011 budget worksheet.

A vote was not taken on this motion at this time.

MOTION by Scott Borthwick and seconded by Dave Barney to approve a total 2011 budget of \$26,650 for the data processing budget.

Scott Borthwick explained that \$230 should be added to this budget for FICA costs.

VOTE: Unanimous in the affirmative

Mike Samson noted that the cost for property and liability has decreased from \$47,421.15 to \$29,896.

MOTION by David McAlister and seconded by Dave Barney to revise the property and liability insurance budget to \$29,896.

VOTE: Unanimous in the affirmative

Cultural Budget: 01-4581

MOTION by Russell Lester and seconded by Dave Barney to approve a total 2011 budget of \$1,000 for the cultural budget, as recommended by the Board of Selectmen on the 2011 budget worksheet.

VOTE: 8 YES 1 NO [Eleanor Davis]

Karen Wolk noted that the bicentennial for the Town of Canaan is next year and that perhaps the historian may need access to funds.

Patriotic Budget: 01-4583

MOTION by David McAlister and seconded by Dave Barney to approve a total 2011 budget of \$1 for the patriotic budget, as recommended by the Board of Selectmen on the 2011 budget worksheet.

VOTE: Unanimous in the affirmative

Conservation Fund Budget: 01-4611

MOTION by David McAlister and seconded by Dave Barney to approve a total 2011 budget of \$1 for the conservation fund budget, as recommended by the Board of Selectmen on the 2011 budget worksheet.

VOTE: Unanimous in the affirmative

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

MOTION by Dave Barney and seconded by David McAlister to approve a total 2011 budget of \$35,194 for the debt service budget, as recommended by the Board of Selectmen on the 2011 budget worksheet.

VOTE: 8 YES 1 NO

John Bergeron suggested that one dollar be added to the interest on tax ant. notes line item in the debt service budget so that there is no problem with expending the contingency debt service line item, if needed for interest on tax ant. notes.

MOTION by Dave Barney and seconded by David McAlister to add one dollar to the interest on tax ant. notes line item in the debt service budget and approve a total 2011 budget of \$35,195 for the debt service budget.

VOTE: 8 YES 1 NO [Eleanor Davis]

MOTION by Russell Lester and seconded by Dave Barney to approve a total 2011 budget of \$76,250 for the contingency, as recommended by the Board of Selectmen on the 2011 budget worksheet.

Mike Samson clarified that each contingency line will be assigned an account number. There was general clarification that the Board of Selectmen could reallocate these contingency funds to whatever line item they deem necessary.

VOTE: Unanimous in the affirmative

Capital Outlay Equipment Budget: 01-4902

MOTION by Russell Lester and seconded by David McAlister to add one dollar to the capital outlay equipment line item of the capital outlay budget.

Scott Borthwick summarized that the \$28,000 allocated in the department head budget is for a replacement police cruiser. Scott Borthwick clarified that the Board of Selectmen has agreed to support a warrant article for a replacement police cruiser.

VOTE: 8 YES 1 NO [Dave Barney]

Improvements Other than Buildings Budget: 01-4909

MOTION by Russell Lester and seconded by Dave Barney to approve a total 2011 budget of \$1 for the improvements other than buildings budget, as recommended by the Board of Selectmen on the 2011 budget worksheet.

VOTE: 8 YES 1 NO

Water and Sewer Budget: 03-4331 and 03-4335

MOTION by Russell Lester and seconded by Dave Barney to approve a total 2011 budget of \$176,825 for the water and sewer budget, as recommended by the Board of Selectmen on the 2011 budget worksheet.

A vote was not taken at this time.

Eleanor Davis asked what the revenues are. Mike Samson responded that he does not have the revenue figures with him at this time. Scott Borthwick noted that the water and sewer budgets are level funded. Russell Lester requested the revenues figures for the next meeting.

Al Posnanski asked whether there will be a review of the user rates next year. Scott Borthwick responded yes.

There was general consensus to table the approval of the water and sewer budget until the next meeting.

There was general consensus to schedule a review of the warrant articles on January 12th and to schedule the Public Hearing on January 13th. It was noted that the Budget Committee will need to review the default budget before the Public Hearing.

There was general consensus to postpone the review and approval of minutes until the next meeting

A Selectmen's report or a Board Chair's report was not provided at this time. David McAlister noted that the next two meetings are scheduled on December 16th and December 30th.

An audience member asked why the retirement line items have increased. There was general explanation that the State of NH sets what the retirement contributions will be and that the retirement system has been underfunded over the past years.

This same audience member commented that the cost of living is different throughout the state and that any information collected for salary comparisons should take that fact into consideration.

Seeing no additional comments or questions, David McAlister requested a motion to adjourn.

MOTION by Dave Barney and seconded by Russell Lester to adjourn the meeting at 9:51 P.M.

VOTE: Unanimous in the affirmative