

Canaan Budget Committee Meeting
Wednesday, January 9, 2013
Canaan Fire Station, Canaan, NH

Attendees: Budget Committee members: Dave Barney, John Bergeron, William Crowther, Ellie Davis, Dave McAlister, Al Posnanski, Martha Pusey, Denis Salvail, Karen Wolk, Scott Borthwick (Select Board rep); Town administrator Michael Samson; recorded by Roger Lohr.

1. Call to Order

Chair Ellie Davis called the meeting to order at 7:00 PM and introduced Roger Lohr, who was hired to record the meeting minutes for the Canaan Budget Committee. He was informed that he would send the minutes to the committee's secretary and also be responsible to applying any changes to the meeting minutes before sending the approved version to the town administrator to post on the town website.

Various budget documents were distributed to the committee members.

2. Warrant Articles

Town Administrator Mike Samson explained that Warrant Article petitions were to include the phrase "to raise and appropriate." The committee then reviewed and voted on whether to recommend the individual articles.

Article 3 Water & Sewer – The Budget Committee recommends with 9 for and 1 against.

Article 4 Purchase dump truck – The Budget Committee recommends unanimously.

Article 5 Revaluation Capital Reserve Fund - The Budget Committee recommends unanimously.

Article 6 Fire Truck Capital Reserve Fund - The Budget Committee recommends unanimously.

Article 7 Highway Equipment Reserve Fund - The Budget Committee recommends unanimously.

Article 8 Police Cruiser Reserve Fund - The Budget Committee recommends unanimously.

Article 10 Petitioned article for Mascoma Valley Health – The Budget Committee does not recommend with 4 for and 6 against.

Article 11 Petitioned article for Grafton Country Senior Citizens Council - The Budget Committee does not recommend with 5 for and 5 against.

Article 12 Petitioned article for Advance Transit - The Budget Committee does not recommend with 4 for and 6 against.

Article 13 Petitioned article for the Visiting Nurse Association - The Budget Committee does not recommend with 5 for and 5 against.

Article 14 Petitioned article for the West Central Behavioral Health - The Budget Committee does not recommend with 3 for and 7 against.

Article 15 Petitioned article for WISE - The Budget Committee does not recommend with 5 for and 5 against.

Article 9 did not have an amount for raise and appropriate, so the Budget Committee did not deal with it.

The Committee discussed how to word the notation on the Warrant Article document and a motion was made on the matter.

John Bergeron made a motion, which was seconded by Dave Barney to include the number of committee members for followed by the number of committee members against recommending the individual Warrant Articles. The motion passed 7 in favor and 3 opposed.

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

Mr. Samson sent out 800 email notices to the public about the Budget Committee's Public Hearing and there were also notices posted on the town bulletin board and town website.

3. Adjournment

Dave McAlister made a motion which was seconded by Scott Borthwick to adjourn the meeting. The motion passed unanimously. The meeting was adjourned at 7:45 PM.

Canaan Budget Committee Meeting & Public Hearing
Thursday, January 10, 2013
Canaan Fire Station, Canaan, NH

Attendees: Budget Committee members: Dave Barney, John Bergeron, William Crowther, Ellie Davis, Dave McAlister, Al Posnanski, Martha Pusey, Denis Salvail, Karen Wolk, Scott Borthwick (Select Board rep); Town administrator Michael Samson; 7 Public Attendees: Alan Ricand, Robert Reagan, Wayne Morrison, Sean Murphy, George Shadowens, Nelson Therriault, Patrick Andrew; recorded by Roger Lohr.

Final Minutes

1. Call to Order

Chair Ellie Davis called the Public Hearing to order at 7:00 PM and introduced the members of the Canaan Budget Committee.

2. Proposed 2013 Canaan Budget

Various budget documents were distributed to the members of the public. The Canaan budget document and Warrant Articles can be found on line at the Canaan town website.

Town Administrator Samson gave an overview of the Proposed 2013 Canaan Budget, which is projected to increase by \$98,000 but will not impact the town tax rate. He reviewed the mandatory and discretionary cost increases such as road reconstruction projects, insurance premiums, employee replacements and so on. Additionally, Mr. Samson reviewed town revenues and the undesignated fund balance from a current and historical perspective. He stated that the town policy is to maintain roughly one million dollars in the undesignated fund balance.

The Budget Committee members reviewed the line item sections announcing the amount of each section recommended by the committee and explaining any significant variances from the previous year's budget. The most significant budget variances compared to the previous budget included:

EX Administrative support increased due to a reallocation of data processing;
TA Town Administrator salary increase;
TC/TX Salary increase in salary and fees;
EL Decrease because there were no expenses associated with a national election;

AS Increase in Appraiser contract;
DP Decrease due to reallocation to Administrative Support;
LE Decrease due to lower projected county expenses;
PA Increase due to health insurance cost and for new employees;
GB Increase due to retirement, salaries and compliance with state labor laws;
INS Increase in cost of insurance;

PD Retirement and new equipment;
AM Cost of contracted services;

FD Decrease in projected expenses;

HW Decrease in miscellaneous and increase in salaries, retirement and fuel;

HW Increase in road reconstruction projects;

TS Increase in hauling and salaries; revenue from recyclables are put in a revolving fund that is drawn upon for town budget expenses;

REC It was stated that the recreation revenue was put in a revolving fund and drawn upon for recreation expenses, which saved on town budget expenses;

LIB Replacement of books to compensate for previous year expense limitation;

DS The debt service continues to annually decrease.

The revolving fund detail (recreation, police outside duty, recyclables, etc.) is not on the budget document but will be in the town report in the Treasurer's section. The total operating budget of \$3,088,521 is about \$98,000 above last year's budget.

2. Warrant Articles

Chair Ellie Davis reviewed the Warrant Articles and whether they were recommended by the Select Board and/or the Budget Committee, respectively. It was stated that if the proposed budget is defeated the default budget from last year would go into effect but it will be adjusted on certain line items such as contracts and the election. The CIP Committee recommendations for capital reserve activity is on the town website. The overfunding of sewer and underfunding of water will be adjusted in 2014. The ten percent document and MS27 document were also cited at the meeting. The MS27 appeared to have an error in the totals and the town administrator will double check the document. The town report will take a few weeks to prepare and will be sent to the printer in early February. The Deliberative Session is scheduled for February 2.

It was stated that the Sewer and Water accounts were not significantly impacted in the bottom line by the installation of new meters and hiring of an employee to replace contracted labor.

Appreciation was expressed by the committee chair to Town Administrator Samson and the committee members for work on the budget. The public hearing was closed by Chair Davis at 8:13 PM.

Dave McAlister a motion, which was seconded by John Bergeron to approve the Canaan Budget Committee meeting minutes of January 9, 2013 as submitted. The motion passed unanimously.

3. Adjournment

Dave McAlister made a motion which was seconded by Scott Borthwick to adjourn the meeting. The motion passed unanimously. The meeting was adjourned at 8:18 PM.

Canaan Budget Committee Meeting
Saturday February 2, 2013
Canaan Elementary School, Canaan, NH

Attendees: Budget Committee members: Dave Barney, John Bergeron, William Crowther, Al Posnanski, Martha Pusey, Denis Salvail, Karen Wolk

Final Minutes

1. Call to Order

In the absence of Chair Ellie Davis, John Bergeron called the meeting to order at 1:55 PM immediately following the Deliberative Hearing.

2. This brief meeting was called to order to review the minutes from the January 10 Budget Committee Meeting.

Al Posnanski made a motion, which was seconded by Dave Barney to accept the minutes corrected to state that revenue from recyclables are put in a revolving fund that is drawn upon for *transfer station*, not “town budget”, expenses. Also the motion corrected the spelling of the names of the public attendees. The motion passed unanimously.

3. Adjournment

Having concluded the business of reviewing and accepting the minutes as corrected, **Al Posnanski made a motion, which was seconded by Dave Barney to adjourn the meeting. The motion passed unanimously.**

The meeting was adjourned at 2:00 PM.

Submitted by Karen Wolk, Budget Committee Secretary

Canaan Budget Committee Organizational Meeting
Thursday, March 21, 2013
Canaan Fire Station, Canaan, NH

Final Minutes

Attendees: Budget Committee members: Dave Barney, William Crowther, Ellie Davis, Patty Duszynski, Al Posnanski, Martha Pusey, Denis Salvail; Town Administrator Michael Samson; recorded by Roger Lohr.

1. Call to Order

Ellie Davis called the meeting of the Canaan Budget Committee to order at 7:03 PM and introduced Patty Duszynski as the new member on the Canaan Budget Committee. There currently is an empty seat on the Budget Committee and a new member will need to be appointed to fill the seat for one year. Mike Samson will place an advertisement in the newspaper and on the town website to seek residents interested in serving on the Budget Committee. Applications will be accepted through the end of April and the Committee will be able to ask questions of interested parties at the May 16 Budget Committee meeting. The Committee will vote to decide to appoint the new member at that meeting.

2. Approval of Meeting Minutes

Al Posnanski made a motion, which was seconded by Bill Crowther to approve the Canaan Budget Committee meeting minutes of February 2, 2013 as submitted. The motion passed with 5 in favor and 2 abstentions (Davis, Duszynski).

3. Election of Officers

Ellie Davis opened nominations for Budget Committee Chair and Al Posnanski nominated Ellie Davis as Budget Committee Chair. The nomination was seconded by Dennis Salvail. There being no other nominations the committee voted and elected Ellie Davis as Budget Committee Chair unanimously.

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

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

3. Budget Committee Calendar and Other Discussion

The Committee members discussed the meeting schedule for the upcoming year. The next meeting will be held on Thursday, May 16. Other Thursday meetings will be held on

September 5 and 19, October 3 and 17, November 7 and 21, and December 5 and 19. On Wednesday, January 8, 2014 the Budget Committee will meet to vote on the Warrant Articles and then on Thursday, January 9, 2014 the Budget Committee will hold a public hearing. The Deliberative Session will be held on Saturday, February 1, 2014.

At this time the committee is unaware of who will fill the Select Board liaison to the Budget Committee. A question was asked and answered about the Treasurer's Report balance on the Transfer Station account in the Annual Report.

Town Administrator Mike Samson spoke about the nonlapsing accounts for recreation, the police department, and the transfer station. These accounts are reviewed with the Select Board during the year. He also stated that the town will look at the tax exemptions for persons with disabilities and seniors, who have special circumstances with regard to their income, home ownership, and their ability to pay town taxes. Currently there are about 80 people who get an exemption.

The Committee expressed its appreciation to Mike Samson for organizing the dinner.

4. Adjournment

Bill Crowther made a motion which was seconded by Al Posnanski to adjourn the meeting. The motion passed unanimously. The meeting was adjourned at 8:06 PM.

Canaan Budget Committee Meeting
Thursday, September 5, 2013
Canaan Fire Station, Canaan, NH

Attendees: Budget Committee members: Dave Barney, John Bergeron; Scott Borthwick, William Crowther, Ellie Davis, Al Posnanski, Martha Pusey, Denis Salvail, Sadie Wells; Town Administrator Michael Samson; recorded by Roger Lohr. Budget Committee members not in attendance: Patty Duszynski; 2 Public attendees

Final Minutes

1. Call to Order

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

2. 2014 Budget Overview

Town Administrator Michael Samson distributed budget documents including expenses, revenues, CPI information, and an overview of significant variances of savings and expense increases. He then gave an overview of the proposed 2014 Canaan budget. The savings or cuts totaled more than \$146,000 and the increased expenditures tallied \$259,748. Salaries were slated to increase by 1.8% while increased costs associated with insurance and fuel assumes 5-7% but will be readjusted when more accurate information becomes available. There is sufficient revenue being received to offset all of the increases for normal annual expenses and there are one-time expenses totaling about \$120,000. There is expected to be a \$51,000 undesignated fund balance at the end of 2014.

The most significant budget variances include \$48,000 for truck lifts, \$39,999 for the excavator, \$35,000 in health insurance, and \$31,800 for fire department breathing equipment. The hiring of a full time operator to replace a part time employee at the Transfer Station will save \$27,577, contracted services replaced by the excavator will save about \$18,000, and reductions in block grants related to road construction will save \$35,000.

There is no tax increase proposed for 2014 associated with town budget but the school district will most likely impact taxes. The school budget is not available until the beginning of next year. The committee also discussed tax exemptions for about 60 seniors and others in need.

Representatives of the police, fire department and the library will attend the October 3 Budget Committee meeting.

3. Proposed 2014 Canaan Budget

The Budget Committee discussed issues related to the cemetery. A leaf bagger machine will be acquired for about \$1,600. Concern was expressed about the trees and roots impacting the cemetery.

Town Administrator Michael Samson reviewed the budget expenditure accounts and he commented about major variances. He has under-projected the revenue and has been

receiving more revenue than budgeted on an annual basis. This low estimate of anticipated income helps to increase the carryover amount for the following year.

Mr. Samson then explained variances in each of the account departments listed on the budget documents including executive, town administration, assessing, tax collection, election, finance administration, data processing, government buildings, general government, police department, ambulance services, fire department, building inspector, emergency, mechanic, highway, transfer station, and street lighting.

Additionally the committee discussed the recreation department and expressed that it is going well. The field services expenses has been moved to the government buildings account. The library, debt service, and capital outlay were also cited. Placeholders have been incorporated in the budget for the warrant articles. The Budget Committee will look more closely at the accounts associated with the fire department, highway, and mechanic at the committee's next September meeting.

Mr. Samson then briefly reviewed the proposed budget revenue document and he commented about delinquencies and redemptions.

4. Approval of Meeting Minutes

Denis Salvail made a motion which was seconded by Ellie Davis to approve the Canaan Budget Committee meeting minutes of May 16, 2013 as submitted and amended. The motion passed with 6 in favor and 2 abstentions (Barney, Bergeron). The change in item 2, second paragraph was the spelling of Posnanski.

Dave Barney reminded the committee about upcoming public events for the school district, healthcare reform, and a government workshop.

5. Adjournment

Denis Salvail made a motion which was seconded by Ellie Davis to adjourn the meeting. The motion passed unanimously. The meeting was adjourned at 8:06 PM.

The next meeting of the Canaan Budget Committee is scheduled for Thursday, September 19, 2013 at 7:00 PM at the Canaan Fire Station.

Canaan Budget Committee Meeting
Thursday, September 19, 2013
Canaan Fire Station, Canaan, NH

Attendees: Budget Committee members: Dave Barney, John Bergeron; Scott Borthwick, William Crowther, Ellie Davis, Patty Duszynski, Al Posnanski, Martha Pusey, Denis Salvail, Sadie Wells; Town Administrator Michael Samson; recorded by Roger Lohr. 2 Public attendees, Bayne Stone and Bill Bellion.

Approved Minutes

1. Call to Order

Ellie Davis called the meeting of the Canaan Budget Committee to order at 7:00 PM. It was announced that the report of the highway department would be postponed until the October 3 Budget Committee meeting.

2. Proposed 2014 Budget for the Mechanic

Town Administrator Michael Samson discussed the budget issues related to the mechanic. There is a larger amount expected to be spent this year (\$150,000) but it should result in a decrease of the amount needed for next year (\$140,000). The largest portion of the mechanic budget is in the repair and repair parts accounts. The mechanic acquired diagnostic equipment and a tire machine, which are expected to lower the need to send equipment out for those purposes and thus save money. It is expected that the town equipment will run for 15 years and the town will rely on the mechanic to help meet that goal. A preventative program to maintain the town equipment will also help.

The mechanic Bayne Stone also serves as the hauling service driver, which saves money for the transfer station. It was stated that mechanic labor is charged to the mechanic account but parts and equipment for the police fleet or transfer station truck for example, are allocated to those respective departments. The mechanic is using a computerized program to track work on equipment to be specified by department. There were no such records kept in the past.

Town Administrator Michael Samson reported that the town feels Bayne Stone is doing a great job as the mechanic for the Canaan town departments and he has saved the town money by serving as the hauling truck driver. A small bonus was paid to town employees last year to recognize their commitment and dedication to the town.

3. Proposed 2014 Budget for Sewer and Water

The Budget Committee discussed issues related to sewer and water, which are maintaining about the same amount of budget funding next year. The significant account items were cited. It is necessary to acquire a new aeration system in the sewer department and there'll be a \$50,000 expenditure made this year or next year for it. The town now has doubled the sewer capacity than is currently needed so there is room for town growth in that area.

The water department was also discussed and Town Administrator Michael Samson explained a number of incidents that occurred with the town water and its delivery and filtration. The water quality has been improved and the town now has doubled the water capacity than is currently needed so there is room for town growth in that area.

The water system is an old one but it continues to provide the town with water. It is more sophisticated than the sewer system. The town reports about the water and sewer system status regularly on the town website.

4. Proposed 2014 Budget for the Fire Department

The committee discussed issues related to the Canaan Fire Department with Chief Bill Bellion. There were about half the fire emergency calls in 2013 than previous years and this may be related to luck or more careful citizens. The Fire Department calls include fire, accidents, fallen electric wires, carbon monoxide incidents, and false alarms. Cardigan Mountain School has had multiple false alarms but there was a fire there on one of the calls. A question was raised about an ordinance to charge a fee for false alarms but it was uncertain if the proposed ordinance will be passed this year. The Fire Department has budgeted for the acquisition of breathing apparatus paying for it in a two-year cycle. Chief Bellion also explained the manpower and recruitment at the Fire Department and the cost of training. There are 32-34 people in the department and a few more are interested in joining the department. This year eleven firefighters had training to improve specific preparedness. He also explained the relationships with other town fire departments in the region,

The Emergency Management department budget was also discussed. The largest aspect of this department is the dispatch service, which will increase in cost next year by about \$4,000-5,000. Canaan has more police calls than Hanover. The committee also discussed the town siren, which is no longer operational. If public announcements need to be broadcast in the streets, the town would use loud speakers on fire engines or police cars. The reverse 911 service can also be used in case of town-wide emergencies where residents need to be notified.

Town Administrator Michael Samson reported that the town feels the Fire Department is doing a great job for Canaan.

5. Approval of Meeting Minutes

Dave Barney made a motion which was seconded by Scott Borthwick to approve the Canaan Budget Committee meeting minutes of September 5, 2013 as submitted and amended. The motion passed unanimously.

The changes include adding Scott Borthwick to the meeting attendee list; in item 2, last sentence: delete the word "an;" in item 2, second paragraph, second sentence: insert "at the Transfer Station" after the word "employee;" the Adjournment section should be number 5.

It was announced that the Lake Sunapee Regional Commission will meet in Canaan on October 3 at 6:00 PM to discuss the regional master plan.

6. Adjournment

Scott Borthwick made a motion which was seconded by Dennis Salvail to adjourn the meeting. The motion passed unanimously. The meeting was adjourned at 8:31 PM.

The next meeting of the Canaan Budget Committee is scheduled for Thursday, October 3, 2013 at 7:00 PM at the Canaan Fire Station.

Canaan Budget Committee Meeting
Thursday, October 3, 2013
Canaan Fire Station, Canaan, NH

Attendees: Budget Committee members: Dave Barney, John Bergeron; Scott Borthwick, William Crowther, Ellie Davis, Patty Duszynski, Al Posnanski, Martha Pusey, Denis Salvail, Sadie Wells; Town Administrator Michael Samson; 9 Public attendees: Dave McAllister, Bob Reagan, Steve Ward, Sam Frank, Amy Thurber, Cindy Neily, Denise Reitsma, Valerie Fleisher, Bob Scott; recorded by Roger Lohr.

Final Minutes

1. Call to Order

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

2. Proposed 2014 Budget for the Capital Improvements Program

Steve Ward led a discussion about the Capital Improvements Program and reviewed documents outlining six years of upcoming budgets for large ticket items in the categories of mobile and non-mobile equipment, bridges, roads, and buildings. An inventory of town equipment and assets has been established for the police, fire, highway, and other departments. Purchases are prioritized within the longer term and also to address urgent needs, when necessary. The committee discussed the truck lift and the thermal imaging cameras.

The transfer station is self-funded for equipment only. The committee discussed whether accessory buildings such as sheds should be added to the town inventory and on the buildings list. Town Administrator Michael Samson said he would add the 10-15 sheds to the Capital Improvement Program budget document next year but there would not be any budget allocated to them. Mr. Ward commented about the use of reserves helping to limit and smooth the town's out-of-pocket cash payments for the big ticket items.

3. Proposed 2014 Budget for Police Department

Sam Frank and the Budget Committee discussed issues related to the police department proposed 2014 budget. They discussed equipment in the vehicles and the level of manpower to investigate crimes, complete paperwork, and attend to police business. The number of arrests has increased 100% in two years and many crimes are drug and alcohol-related. There are expected budget increases in legal work and dispatch. The town has discussed increasing the number of part time officers and there was a discussion about an analysis of police department arrests and activities to justify the expected increase in taxes related to expansion of the police department.

4. Proposed 2014 Budget for the Library

Two documents regarding the town library were distributed to the committee and reviewed. Valerie Fleisher was introduced as the new treasurer of the Library Board. The largest revenue source anticipated is from the Brundage Foundation. Recognition was also given to a small active Friends group for its support. There has been substantial

growth in library patronage and the number of registered library borrowers. It is believed that the library website and Facebook has spurred the increase in library patronage.

5. Proposed 2014 Budget for the Highway Department

Bob Scott discussed highway department issues with the Budget Committee. It is expected that the highway budget will increase in 2015. The gravel line item was double counted last year so it shows a \$12,000 decrease for 2014. The Committee discussed where to list the truck lift and excavator in the budget document.

Dave Barney made a motion which was seconded by Dennis Salvail to approve moving the \$48,000 truck lift from the Highway Department budget to the Capital Outlay Budget. The motion passed with 6 in favor, one opposed (Crowther), and two abstentions (Wells, Pusey).

6. Proposed 2014 Select Board Budget

The Committee discussed expected increases for insurance and payroll related to the Select Board's budget. More definitive information about insurance premiums is expected later in November.

7. Approval of Meeting Minutes

Dave Barney made a motion which was seconded by Martha Pusey to approve the Canaan Budget Committee meeting minutes of September 19, 2013 as submitted. The motion passed unanimously.

Recorder Roger Lohr was asked to send the approved meeting minutes to Budget Committee Secretary Bill Crowther. The Budget Committee meetings for October 17 and November 7 were cancelled. Lohr informed the Committee that he would be relying on the recordings to take the minutes of the upcoming Committee meetings.

A revised revenue budget document was distributed and cited.

It was announced that a meeting about local health care is scheduled for October 10 at 7:00 PM in Enfield. It was also announced that the 4H chicken supper is set for November 9.

8. Adjournment

Dennis Salvail made a motion which was seconded by Scott Borthwick to adjourn the meeting. The motion passed unanimously. The meeting was adjourned at 8:31 PM.

The next meeting of the Canaan Budget Committee is scheduled for Thursday, November 21, 2013 at 7:00 PM at the Canaan Fire Station.

Canaan Budget Committee Meeting
Thursday, November 21, 2013
Canaan Fire Station, Canaan, NH

Attendees: Budget Committee members: Dave Barney, John Bergeron, Ellie Davis, Al Posnanski, Martha Pusey, Denis Salvail, Sadie Wells; Town Administrator Michael Samson; recorded by Roger Lohr. 2 Public attendees, Select Board members Dave McAlister and Bob Regan. Not attending: Scott Borthwick, Patty Duszynski, William Crowther

Final Minutes

1. Call to Order

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

2. Proposed 2014 Budget Review

Town Administrator Michael Samson discussed the proposed Canaan town budget and reviewed the significant changes since the last Budget Committee meeting. The Select Board approved a tight budget about \$18,000 less than last year. Health insurance is slightly down. Unemployment compensation decreased by \$8,000, which is less than last year and below the original budget projection. Property and liability insurance increased about \$500 and the emergency management line item increased due to the dispatch service cost of \$53,666. The election expenses will be slightly higher if a second election is needed.

The highway equipment will cover a fire truck \$40,000, police cruiser \$24,000 and highway truck for \$90,000 and these will involve the capital reserve. The "welfare" costs are lower than budgeted but there are other line items that are higher and unspent to even this out.

Town Administrator Michael Samson reported that if the water/sewer has excess that it can be transferred to the capital reserve and that FEMA has pre-awarded money to the town of Canaan, which will have to be justified when it is spent. If the full amount of the FEMA award is not spent, then the balance of those funds would have to be reimbursed to FEMA.

There will be a new full time position at the transfer station with some offsets in other departments such as recreation and government buildings. It is expected that there will be a new hire for this position by January 1st and the transfer station employees will then include one full time, one part time, and one volunteer. The proposed increase in recorder fees to \$95 per meeting for the Canaan Budget Committee was mentioned by Chair Davis.

3. Proposed 2014 Default Budget

Town Administrator Michael Samson explained that if the voters reject the proposed Canaan budget then the town will use a default budget that would cover obligations required by law or contract. These obligations include increases for elections, personnel

and administration, and insurance such as unemployment, FICA, health insurance and workmen's compensation. Additional obligations include property and liability insurance and the police department employee cost of living adjustment, which is contracted.

The proposed budget of \$3,212,000 would be defaulted to \$3,128,000, which at about \$80,000 is a small difference in the taxes to be paid by individual taxpayers.

The town revenue budget will be reviewed at the next Budget Committee meeting. Mr. Samson stated that the town is in good shape going into 2015 because of the expected budget surplus and the FEMA award but there may be a reckoning for capital equipment in 2015.

4. Approval of Meeting Minutes

Dave Barney made a motion which was seconded by Al Posnanski to approve the Canaan Budget Committee meeting minutes of October 3, 2013 as submitted and amended. The motion passed with 6 in favor and one abstention (John Bergeron). The changes include spelling of "Reitsma" on the attendee roster; spelling of the word "capital" two times in the second paragraph; and in the third paragraph deleting part of the first sentence about the Transfer Station after the word "only."

5. Other

Town Administrator Michael Samson stated that property sales held by the town went well and some of the disbursements were made to the property heirs. He spoke about some property being gifted to the town and consequential cleaning plans. Furthermore, Samson spoke about the Canaan Hall rentals, which are going well about a couple of times per week for activities such as a memorial service, wedding, craft fair, and public meetings. Elections could be held in the hall as it seats 300 people and there is ample parking. Wifi has been set up but is not available to the public in the hall yet. More rentals of Canaan Hall are scheduled.

In a discussion about equipment repairs, Mr. Samson reported that all of the large equipment required \$3-5,000 of work and two of the police cruisers are currently out of commission in the shop. This increase of repairs is probably due to inappropriate maintenance in the past. One committee member felt that it was preferable to spend \$5,000 to repair the large equipment compared to spending \$150,000 to purchase new equipment.

There was a question about getting information about the warrant article social agency requests earlier. Mr. Samson said he is not in control of when these agencies send their warrant article requests to the town but there is a deadline. He shared some background about agencies such as Advanced Transit and West Behavioral Health.

6. Next Meeting

It was decided that the scheduled December 19 Budget Committee meeting will be cancelled if the committee could finish work on the revenue and warrant articles at the December 5th meeting where the committee will vote on the budget and warrant articles.

Chair Davis asked Budget Committee members to let her know if they will be unable to attend the December 5th meeting. The Budget Committee will vote on the petitioned warrant articles if there are any on January 14 and holds a public hearing on January 15.

7. Adjournment

Dennis Salvail made a motion which was seconded by Dave Barney to adjourn the meeting. The motion passed unanimously. The meeting was adjourned at 8:11 PM.

The next meeting of the Canaan Budget Committee is scheduled for Thursday, December 5, 2013 at 7:00 PM at the Canaan Fire Station.

Canaan Budget Committee Meeting
Thursday, December 5, 2013
Canaan Fire Station, Canaan, NH

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

Approved Minutes

1. Call to Order

Ellie Davis called the meeting of the Canaan Budget Committee to order at 7:00 PM. It was announced that the originally scheduled December 19, 2013 Canaan Budget Committee meeting would be moved tentatively to January 2, 2014 at 7:00 PM, if it was needed. The scheduled January 15th and 16th meetings of the Canaan Budget Committee would be moved to a later time at 7:30 PM to allow the public to attend the School Board budget meetings.

Chair Davis also announced that the Budget Committee presentations planned for the Deliberative Session would be coordinated with the same committee members as the last year's presentations.

The proposed Canaan Revenue Budget document was reviewed. Town Administrator Mike Samson informed the committee that the water and sewer rates were to be changed for next year.

The revenue grand fund total was \$3,411,806, which does not include the water and sewer changes, and for information purposes the appropriations are slated as \$3,565,178. **Scott Borthwick made a motion which was seconded by Denis Salvail to accept \$3,411,806 as anticipated revenue in the town of Canaan for 2014. The motion passed unanimously.**

2. Water/Sewer Rates

Town Administrator Michael Samson reviewed the details related to the capital improvements on the water and sewer and that funds would be taken from the surplus account to overspend these budgets. Warrant article 2 will address this water/sewer situation and the Budget Committee will vote on this matter later in the meeting. Mr. Samson then distributed a document regarding the options to keep the water/sewer rates level between large and small water consumers in Canaan. The large Canaan water consumers would see increases in their water bills and the smaller Canaan water consumers will see 10-20% decrease in charges for their water/sewer usage. The average decline in small water user bills would be about \$87.

3. Warrant Article Review

Town Administrator Michael Samson distributed a document listing the preliminary proposed Warrant Articles. The Budget Committee discussed issues related to 12 articles. The Committee would vote on each article and cost-related item. The only extended discussion involved Article 6 regarding the Autoware property gift to the town and how the article should best be worded. The committee also briefly discussed Article 7 using a commercial realtor to sell town property rather than putting the property up for auction.

4. Budget Committee's Vote on Proposed 2014 Warrant Article

The committee then voted on the proposed Canaan Warrant Articles.

A question was raised about the difference for health insurance premiums if the coverage was offered for only the employee rather than for employee families. There is about \$50,000 possible savings associated with handling the health insurance in that manner, and it was thought that about 5 employees would leave as a result of the town changing its policy on the health insurance in that manner.

Article 2 - Scott Borthwick made a motion which was seconded by Dave Barney to recommend the town of Canaan raise and appropriate the amount of \$3,212,044. The motion passed 9-1-0 with Davis opposed.

Scott Borthwick made a motion which was seconded by Dave Barney to recommend the town of Canaan raise and appropriate the amount of \$3,128,314 for the default budget. The motion passed 8-2-0 with Davis and Salvail opposed.

Article 3 - Scott Borthwick made a motion which was seconded by Denis Salvail to recommend the town of Canaan raise and appropriate the amount of \$171,746 for Water and Sewer Operations. The motion passed unanimously 10-0-0.

Article 4 - Denis Salvail made a motion which was seconded by Martha Pusey to recommend the town of Canaan raise and appropriate the amount of \$110,000 for the purchase of a loader and to authorize the withdrawal of up to \$110,000 from the Highway Equipment Capital Reserve Fund. The motion passed unanimously 10-0-0.

Article 5 - Bill Crowther made a motion which was seconded by Al Posnanski to recommend the town of Canaan raise and appropriate the amount of \$40,000 for the purchase of a 4-wheel drive police vehicle and to authorize the withdrawal of up to \$40,000 from the Police Cruiser Capital Reserve Fund. The motion passed unanimously 10-0-0.

Article 6 and 7 did not involve any funding, so the committee did not vote on these articles.

Article 8 - Al Posnanski made a motion which was seconded by Denis Salvail to recommend the town of Canaan authorize a payment in the amount of \$13,184 from the non-lapsing Transfer Station Special Revenue Account to the General Fund to reimburse the General Fund for the purchase and outfitting of a Freightliner

tractor to be used to haul waste and recyclables at a cost of \$8,634 and for the purchase of a utility trailer to be used to store and haul household hazardous waste at a cost of \$4,550. This account is funded from recycling revenue and no additional tax revenue is to be used or raised for this article. The article returns \$13,184 to the General Fund. The motion passed unanimously 10-0-0.

Article 9 - Denis Salvail made a motion which was seconded by John Bergeron to recommend the town of Canaan raise and appropriate \$10,000 to be added to the Revaluation Capital Reserve Fund and name the Governing Body (Selectmen) as Agent to Expend. The motion passed unanimously 10-0-0.

Article 10 – Bill Crowther made a motion which was seconded by John Bergeron to recommend the town of Canaan raise and appropriate \$40,000 to be added to the Fire Truck Capital Reserve Fund and name the Legislative Body (voters) as Agents to Expend. The motion passed unanimously 10-0-0.

Article 11 – Martha Pusey made a motion which was seconded by John Bergeron to recommend the town of Canaan raise and appropriate \$90,000 to be added to the Capital Reserve Fund for Highway Equipment and name the Legislative Body (voters) as Agents to Expend. The motion passed unanimously 10-0-0.

Article 12 – Al Posnanski made a motion which was seconded by John Bergeron to recommend the town of Canaan raise and appropriate \$24,000 to be added to the Capital Reserve Fund for Police Cruisers and name the Legislative Body (voters) as Agents to Expend. The motion passed unanimously 10-0-0.

5. Approval of Meeting Minutes

Dave Barney made a motion which was seconded by Scott Borthwick to approve the Canaan Budget Committee meeting minutes of November 21, 2013 as submitted and amended. The motion passed with 7 in favor and 3 abstentions (Borthwick, Crowther, and Duszynski).

The changes made in a motion by Al Posnanski seconded by Scott Borthwick include removing the word “new” from Item 2, 4th paragraph, first sentence.

It was announced that half the necessary pledges have been received for the health center. The committee recorder was reminded to send the October 3 meeting minutes with changes incorporated to Chair Davis. It was announced that the town staff is having a Christmas party at Canaan Hall on December 19th at 1:00 PM and the Budget Committee members were invited to attend. The Canaan Deliberative Session is scheduled for February 1, 2014 at the Canaan Elementary School at 1:00 PM and the school district session is scheduled for 9:00 AM at Indian River.

6. Adjournment

Scott Borthwick made a motion which was seconded by Dave Barney to adjourn the meeting. The motion passed unanimously. The meeting was adjourned at 8:26 PM.

The next meeting of the Canaan Budget Committee is tentatively scheduled for Thursday, January 2, 2013 at 7:00 PM at the Canaan Fire Station.