

Canaan Budget Committee Meeting
Wednesday, January 14, 2015
Canaan Fire Station, Canaan, NH

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

Final Minutes

1. Call to Order

Chair Ellie Davis called the meeting to order at 7:30 PM.

Various budget documents were distributed to the committee members.

There was a change in the budget related to the cooperative association for prosecutions in Grafton County. The new budget expenditure to approve was \$3,336,035.

Scott Borthwick made a motion which was seconded by Sadie Wells to accept \$3,336,035 as the approved expense budget in the town of Canaan for 2015. The motion passed with 9 in favor and 1 opposed (Davis).

William Crowther made a motion which was seconded Scott Borthwick to accept \$3,358,857 as anticipated revenue in the town of Canaan for 2015. The motion passed with 9 in favor and 1 opposed (Davis).

2. Warrant Articles

Town Administrator Mike Samson explained the Warrant Articles with regard to tax impacts.

Article 3, which is the Canaan water and sewer appropriations was recommended by the Budget Committee; 9 Yes and 1.

Article 4, which is for the purchase of a truck from the Highway Equipment Capital Reserve Fund was recommended by the Budget Committee; 10 Yes and 0 No.

Article 5, which is for the purchase of a truck from the Highway Equipment Capital Reserve Fund was recommended by the Budget Committee; 9 Yes and 1 No.

Article 6, which is for the purchase of a police vehicle from the Police Cruiser Capital Reserve Fund was recommended by the Budget Committee; 10 Yes and 0 No.

Article 7, which is for the purchase of a live floor trailer from the Transfer Station Special Revenue Account was recommended by the Budget Committee; 10 Yes and 0 No.

Article 8, which is for adding \$10,000 to the Revaluation Capital Reserve Fund was recommended by the Budget Committee; 10 Yes and 0 No.

Article 9, which is for adding \$40,000 to the Fire Truck Capital Reserve Fund if the funds are available from the Unreserved Fund Balance was recommended by the Budget Committee; 10 Yes and 0 No.

Article 10, which is for adding \$110,000 to the Highway Equipment Capital Reserve Fund if the funds are available from the Unreserved Fund Balance was recommended by the Budget Committee; 10 Yes and 0 No.

Article 11, which is for \$30,000 to the Police Cruiser Capital Reserve Fund if the funds are available from the Unreserved Fund Balance was recommended by the Budget Committee; 10 Yes and 0 No.

Town Administrator Mike Samson explained Article 12 about the town of Canaan's agreement with the police union. A \$1,000 cap had been added for Court-related call outs and the salary increases would be within the annual CPI if possible without raising property taxes. Article 12 was recommended by the Budget Committee; 10 Yes and 0 No.

Articles 13 and 14 did not require the Budget Committee's input and the petitioned articles included Articles 15-21 and the committee voted on each of them.

Article 15 Mascoma Health Initiative services: the Budget Committee Does Not Recommend; 4 Yes and 6 No.

Article 16 Grafton County Senior Citizens Council: the Budget Committee Does Not Recommend; 4 Yes and 6 No.

Article 17 Advance Transit: the Budget Committee Does Not Recommend; 4 Yes and 5 No and 1 abstention.

Article 18 Visiting Nurse Association & Hospice: the Budget Committee Does Not Recommend; 4 Yes and 5 No and 1 abstention.

Article 19 West Central Behavioral Health: the Budget Committee Does Not Recommend; 4 Yes and 6 No.

Article 20 WISE: the Budget Committee Does Not Recommend ;4 Yes and 6 No.

Article 21 Tri-County Cap: the Budget Committee Does Not Recommend; 2 Yes and 7 No and 1 abstention.

3. Other Business
Minutes Approval

A motion was made by Scott Borthwick and seconded by William Crowther to approve the Canaan Budget Committee meeting minutes of October 16, 2014 as submitted and amended. The motion passed unanimously. The change in item 4 was regarding the semantics about the source for the fees.

A motion was made by Scott Borthwick and seconded by William Crowther to approve the Canaan Budget Committee meeting minutes of December 18, 2014 as submitted. The motion passed unanimously.

Committee assignments for the public hearing were distributed previously. The Canaan Budget Committee public hearing meeting is 7:30 PM on Thursday, January 15 at the Fire Station. The Deliberative Session is scheduled for February 7 at 9:00 AM at the Canaan Elementary School and was on a flyer notice. Town Administrator Mike Samson will provide support with the detailed budget information, if needed so questions at the Public Hearing could be diverted to the Town Administrator.

If there are any amendments to the town budget, the committee would have to vote on its recommendations on those amendments.

There are 4 seats for three-year terms that will be up including Ellie Davis, John Bergeron, Denis Salvail, and Phillip Smith who had filled a vacated committee seat.

4. Adjournment

Scott Borthwick made a motion which was seconded by Al Posnanski to adjourn the meeting. The motion passed unanimously. The meeting was adjourned at 8:23 PM.

Canaan Budget Committee Meeting & Public Hearing
Thursday, January 15, 2015
Canaan Fire Station, Canaan, NH

Attendees: Budget Committee members: John Bergeron, William Crowther, Ellie Davis, Patty Duszynski, Al Posnanski, Martha Pusey, Denis Salvail, Phillip Smith, Scott Borthwick, Sadie Wells; Town administrator Michael Samson; 5 public attendees: Selectman Bob Reagan, Dave McAllister, Russell Lester, Phil Salvail, Falen Racard; recorded by Roger Lohr.

Final Minutes

1. Call to Order of the Public Hearing

Chair Ellie Davis called the Public Hearing to order at 7:30 PM and took attendance of the members of the Canaan Budget Committee. She announced that the intention of this public meeting was to review the Budget Committee's proposed 2015 budget for the town, the revenue budget, the default budget, and the warrant articles.

2. Proposed 2015 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.

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.

Borthwick reviewed executive, town administration, town clerk, and election expenses.

Smith reviewed printing, bookkeeping, budget committee, assessments, treasurer, and trustee expenses.

Duszynski reviewed legal, personnel, and government building expenses.

Bergeron reviewed cemetery, insurance, general government, police, ambulance, fire department, building inspector, and emergency management expenses.

Salvail reviewed mechanic, road agent, highway, bridge inspection, and street lighting expense.

Posnanski reviewed transfer station, health, and welfare expenses.

Pusey reviewed recreation, library, cultural, patriotic, and conservation accounts.

Wells reviewed debt service, capital equipment, and improvements.

Crowther reviewed sewer and water accounts.

The proposed 2015 Canaan operating budget is \$3,336,035 and if it is rejected by voters the default budget is \$3,282,073. Chair Davis reviewed the items that were included in the default budget. The MS7 document, which reports town revenues, appropriations and the warrant articles was cited. Chair Davis reviewed the warrant articles and corresponding fund amounts on the articles and whether the Select Board and Budget Committee recommended voting for the articles. Chair Davis also reviewed the revenue budget with revenues other than taxes, which totaled \$3,358,857 and \$1,269,857 without including taxes.

Town Administrator Samson announced that there were some taxes that were not received in the town, which totaled about \$40,000. Other substantial payments include the school, county and state. He stated that this was the seventh year without raising taxes due to purchasing capital items in a manner that is pre-funded and staggered. Secondly, the town operation managers consistently find cost effective ways to save money. The members of the Budget Committee will be needed to sign the MS7 document.

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 at 8:15 PM.

3. Adjournment

Scott Borthwick made a motion which was seconded by John Bergeron to adjourn the meeting. The motion passed unanimously. The meeting was adjourned at 8:15 PM.

Canaan Budget Committee Meeting
Thursday, April 2, 2015
Canaan Fire Station, Canaan, NH

Attendees: Budget Committee members: John Bergeron; Ellie Davis, Al Posnanski, Martha Pusey, Sadie Wells; Town administrator Michael Samson; recorded by Roger Lohr. Not in attendance: Scott Borthwick, William Crowther, Patty Duszynski, Denis Salvail, Phillip Smith.

Final Minutes

1. Call to Order

Ellie Davis called the meeting to order at 7:12 PM.

2. Election of Officers

Al Posnanski nominated the slate of officers to remain the same as the previous year and the nomination was seconded by Sadie Wells. The slate of officers included Ellie Davis as committee chair, John Bergeron as committee vice chair, and Bill Crowther as committee secretary. There being no other nominations the committee members voted and the nominations passed unanimously.

3. Approval of Minutes

A motion was made by Martha Pusey and seconded by Sadie Wells to approve the Canaan Budget Committee meeting minutes of January 14, 2015 as submitted and amended. The motion passed unanimously. The change was in the last section of item 3 to correct Salvail's first name.

A motion was made by John Bergeron and seconded by Al Posnanski to approve the Canaan Budget Committee meeting & Public Hearing minutes of January 15, 2015 as submitted and amended. The motion passed unanimously. The change was to correct the time of adjournment.

There was a request that the meeting minutes documents include a dated heading on all of the document pages.

4. 2016 Budget Committee Meeting Schedule

There was a committee consensus for the proposed calendar with the understanding that some of the meetings may be unnecessary and the committee would be notified if any meetings were to be canceled. The calendar included meetings in 2015 on:

September 3 and 17;

October 1, 15, and 29;

November 5 and 19;

December 3 and 17;

in 2016, January 13 and 14 (per DRA) which are tentative dates;

January 30 or February 6 (per selectboard).

4/1/15 Canaan Budget Committee minutes continued

There were four working meetings held by the Canaan Budget Committee meetings last year on September 18, October 2 and 16, December 18. The January 14 and 15 meetings were held to finalize votes on the Warrant Articles and hold the public hearing respectively.

5. Adjournment

Al Posnanski made a motion which was seconded by John Bergeron to adjourn the meeting. The motion passed unanimously. The meeting was adjourned at 7:31 PM.

Canaan Budget Committee Meeting
Thursday, September 17, 2015
Canaan Fire Station, Canaan, NH

Attendees: Budget Committee members: John Bergeron, Scott Borthwick, Ellie Davis, Patty Duszynski, Al Posnanski, Denis Salvail, Philip Smith Jr.;
Budget Committee members not in attendance: William Crowther, Martha Pusey, Sadie Wells;
Public attendees: Vicky McAlister, Nelson Therriault, Phil Carter, Barbara Hayward, Joe Frazier.
Canaan Town Administer Mike Samson; recorded by Roger Lohr.

Final Minutes

1. Call to Order

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

2. Committee Discussion

Town Administrator Mike Samson distributed two documents including a narrative of the significant budget variances, and the 2015 Budget vs Actual/2016 Proposed Budget for town expenses.

A. Town Clerk Vicky McAlister reviewed the town clerk and election sections of the proposed Canaan budget for 2016. There are four elections next year (town, state, two national primaries), which will necessitate an increase along with the 2% salary increase for town employees.

B. Nelson Therriault reviewed the welfare section of the budget and discussed increases in the utilities and miscellaneous line items. There were 24 new cases this year for assistance (rent, electric, fuel). The Tri County Cap is now in Ashland or available on line and it is also available one day per week in Lebanon. The electric company also offers some assistance on electric rates.

C. Cemetery

Phil Carter reviewed the cemetery section of the budget. There will be salary increases and the acquisition of a commercial mower. The acquisition request is in the CIP for one mower in 2016 and one in 2018. The mowing is done for the season and there will be leaf removal to do and some trees to cut down.

D. Planning Board

John Bergeron reviewed the planning board section of the budget, which is the same as the previous year's budget except there will be training for new members in the miscellaneous line item.

The building inspection and health sections will be the same as the previous year's budget with salary increases.

E. Budget Committee

The committee discussed the budget committee expenses for 2016 and it was suggested that since there will be fewer meetings, that the minutes taker be paid more per meeting.

F. Treasurer

Joe Frazier reviewed the treasurer section of the budget, which has salary increases. The supplies will remain the same. He acquired a laptop from the town this year, where he keeps all the records separately. His departmental responsibilities include financial matters where there is income (some gross budgeting activity) concerning general funds, police department, recreation, water and sewer, conservation, transfer station, CDs, and bonds. Some of the areas require voter approval annually and some areas do not.

G. Other Budget Sections

The 2016 budget is projected to be \$118,436 higher, which is a 3.5% increase above last year's budget but the tax rate is only expected to increase by less than 1%. The wage expense increase is 2% but Workers Compensations, health insurance, property and liability insurance, dispatch service and criminal prosecution service increases are not yet known. The health insurance premium increase is currently anticipated at 6%.

There is offsetting additional revenue of \$103,000 from new construction taxes, sale of equipment, library revenue, and other revenue. After adding this revenue, the increase that needs new tax funding is \$15,000 or a .98% increase.

Town Administrator Samson's memo on the year-to-year budget variances showed major increases (total \$167,000) and decreases (\$141,000) anticipated in the 2016 town budget.

4. Other Budget Discussion

Town Administrator Mike Samson then reviewed major variances in the budget sections that are not scheduled to be reviewed by department heads in the October Budget Committee meeting.

The assessment section will increase \$9,000 for a new contracted appraiser. Data processing has a major increase in salary due to a change in a budget account line. Attorney fees will decrease as the electricity case should come to an end in the spring. The prosecutor fees will increase due to an increased number of arrests. The personal administration will reflect increases in the health insurance. The Workers Compensation refund is paid in the following year and testing for health and safety will increase by \$500. The drug testing is conducted at DHMC through Primex.

The government buildings account will put funds in capital reserve for repairs at the fire station and some work on the town office. The town garage also needs to accommodate keeping more vehicles warm in the winter. These needs will be addressed with a savings

of \$25,000 per year for a few years. Heating oil and gas were left the same as the previous budget to prevent a surprise increase in prices.

The increased health insurance and other insurance premiums are not known yet and more should be known in November. Regarding general government, the Committee discussed an increase in postage, which covers an increased amount of mailings to water and sewer. The postage is used in multiple departments and there should be enough funding for at the same level as the previous year's budget.

The bridge repair account will put money in reserve toward replacing two bridges in the future. There is also an increase in street lighting.

There was a discussion about the transfer station account and the plan to haul recyclables to Portland, Maine. The recyclable materials can be transported fewer times per month in a larger trailer.

There will be increases in the water and sewer account to install a water line and toilet, and acquiring a skid steer. The forklift and two balers will be sold for funds to acquire the skid steer. Mr. Samson also commented about the hazardous waste collection doing well with 8% participation in the first collection and a second collection is scheduled in October.

On the recreation budget, there is a \$7,500 increase in the director salary that should be covered by recreation revenue. Enfield is also paying for half of the recreation director salary.

Mr. Samson also stated that the town of Canaan is debt free and the Budget Committee expressed appreciation to the Select Board for the accomplishment.

On the sewer account there is some training, an electricity increase, and more testing and inspection costs. There is an increase in expenses but revenue has increased to cover it. The water account has an increase in chemical expense and a decrease in the capital improvements. It will bring about \$40,000 in annual revenue to cover the increased expenses. The new laundering business did not get preferable water prices. The race track and industrial park will be new water customers. The Committee discussed the town's water capacity and future possibilities with regard to the pipeline size and replacement of old lines in town.

3. Committee Action

Scott Borthwick made a motion to amend the April 2, 2015 Budget Committee meeting minutes, which was seconded by John Bergeron. The motion passed unanimously.

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Scott Borthwick made a motion to accept the April 2, 2015 Budget Committee meeting minutes as amended, which was seconded by John Bergeron. The motion passed unanimously.

The amendment was to replace in the document heading the day of the meeting with Thursday.

Budget Committee meetings are scheduled for October 15, November 19 and a December date to be determined.

4. Adjournment

Scott Borthwick made a motion which was seconded by John Bergeron to adjourn the meeting. The motion passed unanimously. The meeting was adjourned at 8:39 PM.

Canaan Budget Committee Meeting
Thursday, October 15, 2015
Canaan Fire Station, Canaan, NH

Attendees: Budget Committee members: Scott Borthwick, Ellie Davis, Al Posnanski, Martha Pusey, Denis Salvail, Philip Smith Jr., Sadie Wells;
Budget Committee members not in attendance: William Crowther, Patty Duszynski, John Bergeron.

Public attendees: Sam Frank, Bob Scott, Bill Bellion, Bayne Stone, Cindy Neily, Denise Rectsma, Amy Thurber, Tim McQuaid.

Canaan Town Administer Mike Samson; recorded by Roger Lohr.

Final Minutes

1. Call to Order

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

2. Committee Discussion

Town Administrator Mike Samson distributed the 2015 Budget vs Actual/2016 Proposed Budget for town expenses.

A. Canaan Police Chief Sam Frank referenced the police department budget with increases to salaries and benefits and equipment. The larger equipment items like vehicles will be in the capital budget and the smaller items in the general budget include taser gun upgrades and computer equipment for the cruisers. He anticipates the budget will decrease in the following year. The police department personnel includes six full time and two part time officers. There are five police cruisers. There is a need to hire additional part time officers.

Town administrator Mike Samson commented that the police department expenses have been well managed. It was also stated that the large increase in salaries was due to including health benefits in the salary figures. The committee asked about resident perspectives of the Canaan Police and the chief felt there were no problems with this in Canaan. He also gave a breakdown of arrests including mostly alcohol and drug related arrests.

Chief Frank also spoke about the emergency management issues related to the dispatch costs, which is done in Hanover and based on the number of calls and the percentage of calls among other users of the dispatch service. Mike Samson mentioned the emergency operation center.

B. Fire Department

Chief Bill Bellion reviewed the fire department budget citing the decrease in the line items due to equipment that was acquired last year. The number of fire department calls is similar to last year. Painting or minor renovation work to the fire department building

was also discussed as a project that could be covered by the government building account.

C. Highway Department

Bob Scott reviewed the highway department budget referencing the salary increases. The increase in supplies is for plow blades and there is also an increase in the cost of salt and gravel. The committee asked about the high amount of budget that has not been spent this year and this is because the high expense winter months are yet to come. Crushing the gravel was also discussed as well as the challenge of silt in the sand pits. Mike Samson said there is a need to find a new location for the sand pit.

D. Mechanic

Bayne Stone stated that New Hampshire had changed the inspection requirement to September, which doubled those costs and caused increases. There are major budget increases to the repair parts, supplies, petroleum products, and tools. Some of these increases are the result of running the department for a year and a better understanding of the annual needs. The petroleum products costs resulted from tank leaks and the increase in tools are mostly a one time expense to upgrade the diagnostic computers. Mike Samson explained the part time account line.

E. Trust Funds

Cindy Neily stated that there was an additional \$50 needed and it was requested that she submit such needs within the budget process. She also said that a line item may be needed for attorney fees.

F. Tax Rate

Town Administrator Mike Samson said that there will be an 8.4% increase in the town tax rate this year which is 16% higher than what was paid in June. This reflects that exemptions were doubled for disabled people and the appraisal for Fairpoint, which was decreased by 50 percent. Mr. Samson also commented about the taxes related to the school budget and he talked about town revenue estimations and the number of houses for sale in Canaan.

G. Library

Amy Thurber distributed a document of library-related statistics and reviewed highlights of the document. She discussed the reciprocal agreements other towns' libraries. She explained that the education support line was offset with a gift that will be used to attend a conference. The salary increase includes the benefits and a salary upgrade related to the educational resume of an assistant position.

The committee discussed the library contributions and how they are handled. The Friends of the Library organization also contributes benefits at no cost to taxpayers. Sales in the library for books, note cards and such should be accounted in the town revenues. There is a NH RSA related to the revenue raised with the copying machine.

3. Other Discussion

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Town Administrator Mike Samson said that the rest of the operating budget has now been covered by the Budget Committee and that the next meeting the group will review the CIP and be prepared to vote if the final health insurance premium numbers are received by mid-November. The next Budget Committee meeting is set for November 19 and the December meeting was tentatively cancelled if the committee can vote on the proposed budget in November. The Committee will meet on January 13 and 14 for the public hearing and the warrant articles.

Approval of the September Budget Committee meeting minutes was tabled.

4. Adjournment

Al Posnanski made a motion which was seconded by Denis Salvail to adjourn the meeting. The motion passed unanimously. The meeting was adjourned at 8:33 PM.

Canaan Budget Committee Meeting
Thursday, November 19, 2015
Canaan Fire Station, Canaan, NH

Attendees: Budget Committee members: John Bergeron, Ellie Davis, Al Posnanski, Denis Salvail, Sadie Wells;
Budget Committee members not in attendance: Scott Borthwick, William Crowther, Patty Duszynski, Martha Pusey, Philip Smith Jr.
Canaan Town Administer Mike Samson; recorded by Roger Lohr, not in attendance.

Final Approved Minutes

1. Call to Order

Committee Chair Ellie Davis called the meeting of the Canaan Budget Committee to order at 7:01 PM.

2. Minutes Approval

Denis Salvail made a motion which was seconded by Al Posnanski to approve the September 17, 2015 Canaan Budget Committee meeting minutes as submitted. The motion passed with 4 in favor and one abstention (Wells).

Al Posnanski made a motion which was seconded by Sadie Wells to approve the October 15, 2015 Canaan Budget Committee meeting minutes as submitted and amended. The motion passed unanimously. The changes were to correct the spelling of Neily and Denis, and to add Denise Rectsma to the public attendee list.

3. Committee Discussion of the CIP

John Bergeron reviewed the CIP document and Town Administrator Mike Samson commented on various items.

The health insurance premium figures are expected to be received by the December 17 Budget Committee meeting. The significant town CIP expenditures are for vehicles and roads.

A. Nonmobile Equipment

This section of the CIP budget includes mostly smaller items such as computers and radios. The largest item is the brush chipper. The state has guidelines regarding capital improvement whereby small items can be grouped together.

There was a discussion about the demolition waste and the need for scales if the town was to begin accepting such waste. Additionally, compost waste is another area that the town can organize. Construction waste is 14% (140 tons) of the town waste stream and compostible materials (such as food scraps) represent 18% (180 tons). The town could save money if it develops a compost operation.

Town administrator Mike Samson commented that the town departments are willing to move equipment acquisition dates if it would be helpful to the town budget.

B. Mobile Equipment

The committee looked at the police vehicle purchase schedule and it was pointed out that one of the Crown Victorias had a 10 year life expectancy in the CIP document. Mike Samson commented that the police department now has 5 full time officers and no part time officers and if 7 officers are needed in the future, another vehicle will be needed. The town has not been able to find or keep part time officers.

The water and sewer department is not going to purchase a tractor this year and the Ford will be purchased by the water and sewer account. There is a transmission problem with the Kubota.

The highway has big ticket items. The Transfer Station vehicle runs less than 7,000 miles per year.

C. Bridges, Roads and Buildings

These budgets are flat and the committee discussed plans for further in the future such as the highway garage renovation in 2020. The town office renovation is under consideration for 2021 and nine different plans are being considered. The \$300,000 for the office work is likely to fall short for what is needed. The office is running out of space for cabinet storage.

3. Other Discussion

Chair Davis spoke about the percentage of the school budget in Canaan and Enfield. Mike Samson stated that the CIP program analysis on income and expense for the year shows that full funding for the capital reserves should be accomplished. Revenues are up again and there is a town policy to not use revenues until they are in place for two years. The revenue considerably exceeded the projection for this year.

4. Adjournment

Denis Salvail made a motion which was seconded by Al Posnanski to adjourn the meeting. The motion passed unanimously. The meeting was adjourned at 8:05 PM.

Next meeting of the Canaan Budget Committee is December 17, 2015 at 7:00 PM.

Canaan Budget Committee Meeting
Thursday, December 17, 2015
Canaan Fire Station, Canaan, NH

Attendees: Budget Committee members: John Bergeron, Scott Borthwick, William Crowther, Patty Duszynski, Ellie Davis, Al Posnanski, Denis Salvail, Philip Smith Jr.; Budget Committee members not in attendance: Martha Pusey, Sadie Wells.
Canaan Town Administer Mike Samson; recorded by Roger Lohr, not in attendance.

Final Approved Minutes

1. Call to Order

Committee Chair Ellie Davis called the meeting of the Canaan Budget Committee to order at 7:01 PM.

2. Health Insurance Premiums and Changes to the Expense Budget

Health insurance premiums for the town of Canaan had an increase of \$7,000 to \$335,009. Town administrator Mike Samson stated that the budget was approved by the Selectboard and he then reviewed the significant variances since the last budget document was reviewed by the Budget Committee.

Tax mapping will decrease by \$900 and the Contracted Appraiser account will decrease by \$12,000. There is a new \$10,000 line item for Capital Reserve in administrative services. There will be similar new Capital Reserve line items for Government Buildings, police department for a cruiser, bridges, and revaluation.

The government buildings group of accounts has a lower heating amount and lower gasoline. There is also a new \$10,000 line item to put in the Capital Reserve. There are a number of reduced contracted services. The prosecutor line is lower because using a rolling average has saved Canaan for its high number of arrest cases.

The highway department has lower water/sewer costs and heating oil. The bridges account was explained. There is \$30,000 budgeted for cement footings. Samson spoke about the waste water plant. Household hazardous waste collection revenues will offset the expenses. Fire department equipment was reduced as equipment items in this account such as the airpacks were purchased last year.

Electricity for the ballfield lighting was up and contributions from the Youth League will be sought to cover the increased costs. The Christmas lights were referenced, too.

The minor accounts for patriotic, cultural and the conservation fund were explained as placeholders or expenses that are paid annually.

Mr. Samson spoke about the moving of funds into and out of the Capital Reserve Funds so they will not be on the warrant articles. These moves included the police cruiser \$40,000, government buildings \$10,000, bridges \$10,000, revaluation \$10,000. There

will be \$60,000 in expense coming out of the operating budget and into the Capital Reserve budget.

The Committee discussed the bottom line with revenue offsets for library, sewer for the Transfer Station and household hazardous wastes for a total of \$21,000. There would be \$255,000 from the Capital Reserve Fund, \$80,000 from end-of-the-year surplus, and \$160,000 from additional revenues.

Samson outlined putting funds into the Capital Reserve for police cruisers \$35,000, highway \$160,000, Capital Reserve revaluation \$40,000, and Transfer Station equipment \$10,000 while taking out of the Capital Reserve for a fire truck \$40,000 and highway \$120,000. The warrant articles related to the regional nonprofit agencies are projected and estimated at \$38,124.

There are two mistakes on page 15 of the budget including that the highway equipment should be changed from \$160,000 to \$40,000 and the Transfer Station is \$10,500 rather than \$10,000. This is a net decrease of \$119,500 and when these two corrections are applied to the bottom line the new amount for general fund is \$3,786,820.

Administrator Samson and Chair Davis discussed their understanding of the budget bottom line and then Samson commented about the health clinic. The updated budget document will be sent to the committee's minutes taker so he can follow the numbers during the recording of the meeting.

Samson spoke about the sewer and water account. The daily water plant readings have been accomplished and there is a backup for the position, but he has never been called to duty. There has been interest to split the sewer and water into two accounts, but it has not been done. The revenues for sewer and water remain with those accounts in a nonlapsing account rather than put into the general funds. There was \$39,000 left over from last year and there are new additional septage revenues anticipated. There was a discussion about a homeowner association that was getting gouged by a sewage trucker. The town charges only 3 cents per gallon for the sewage.

3. Revenues

Samson explained the revenue document. There is an old budget column, a 2016 budget column, a column of projected estimates for 2015, and a column for increase/decrease for each revenue source. The positive revenue budget increase is \$170,806 and after the warrant article expenses are applied, the net is expected to be \$155,004 for 2015 with the increases mostly from taxes and motor vehicle fees. It is expected that 15% of the motor vehicle fees will be collected in December.

The revenue projection is about \$40,000 over last year and this includes tax sale fees, sale of properties and lien sales. Property taxes are up 3% and the SRO increase is \$74,000. The highway block is down and the police department special detail line item will be eliminated. The recyclables are decreasing because of the falling markets for the

materials. The hazardous waste collection was \$2,500 when nothing was projected. A collection was conducted in Enfield, too.

Samson spoke about the \$245,000 of anticipated transfers and the Trustees of the Trust Funds. The estimate is for a \$95,875 fund balance at the end of 2016.

4. Warrant Articles

Business Administrator Mike Samson then reviewed the Warrant Article draft document. Article 3 is for water and sewer operations. Article 4 is from the Capital Reserve toward the purchase a one ton truck for the Highway Department. Eighty thousand is spelled out and needs to be changed to \$40,000. Article 5 is for a police cruiser and Article 6 is for a fire truck. Article 7 is for highway equipment.

The lettered articles do not involve the Budget Committee and for example Article A is a change to how the police chief is appointed rather than elected to office. The issue involves the residency requirement, which is making it difficult to find qualified candidates. Article C is a housekeeping effort to create a special library account so that donations can be accessed. Articles D to I are all also housekeeping articles for small amounts. Article J involves the change of the landfill to economic development, which will require a two thirds vote. Article K has a list of town properties to be put on public sale because they are not worth keeping.

Article L involves the Transfer Station Revenue account and Article B will allow the town to freeze assessments for rehabilitative projects on buildings of significance to the town to spur economic development.

Another article to be drafted will create an incremental finance district in Canaan Village for potential industrial park zones, where some funding will be collected for infrastructure development for those projects.

5. Next Meeting

The committee discussed the need for an additional meeting on January 7 to vote on the budget and revenues. The budget presentation assignments for the Budget Committee's public hearing will also be made at that meeting and there will be an update of the CIP.

6. Adjournment

Bill Crowther made a motion which was seconded by Denis Salvail to adjourn the meeting. The motion passed unanimously. The meeting was adjourned at 8:50 PM.

Next meeting of the Canaan Budget Committee is January 7, 2016 at 7:00 PM.